

**Reno-Tahoe  
Airport Authority**  
*Reno, NV*

**Annual  
Budget**

**Fiscal Year  
2010 - 2011**

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Section 1 – Introduction and Summary**



**Board of Trustees  
Reno-Tahoe Airport Authority  
Reno, Nevada**

**Introduction**

The Reno-Tahoe Airport Authority (RTAA) operates Reno-Tahoe International Airport (RTIA) and Reno-Stead Airport. This 2010-11 Budget is the financial operation plan for both airports.

The past two years have been challenging with the global economy in recession and the Reno-Sparks-Tahoe market struggling with high unemployment, depressed housing prices, and uncertain consumer spending, which reflects concerns about jobs and income.

Unfortunately, the Reno-Tahoe Airport Authority (RTAA) has not been immune from this unprecedented wave of activity. In Fiscal Year 2009-10, the Authority's total passenger traffic is down 5.1 percent as compared to the same period last year. While this is not positive news, the actual results are significantly better than passenger traffic levels forecasted in the FY 2009-10 adopted budget. Actual enplaned passenger traffic for FY 2009-10 is 1,866,677 as compared to the budget of 1,754,000, an increase of 7.5%.

Despite the difficult economic realities, the past few months have shown signs of recovery and in calendar year 2009 Reno-Tahoe Airport Authority (RTAA) registered historically high average passenger load factors of 80 percent, an increase of 5.3 percent over previous year.

In addition, the amount of money the airlines are earning, as calculated by the revenue generated by flying one passenger one mile on any flight, from Reno-Tahoe is higher than any western airport, including major airports in Las Vegas, Los Angeles, Oakland, Phoenix, San Jose, and Long Beach. These factors indicate that perhaps the airlines were a little over zealous in reducing flights in the Reno market. This is evidenced by RTAA receiving announcements of 17 new or resumed flights over the past six months. RTIA now provides 72 nonstop departures with 8,011 daily available seats to 15 destinations as compared to 67 nonstop departures and 7,276 seats per day to 16 destinations in July 2009.

The new flights since December 2009 include the following:

1. Additional nonstop by United Airlines to Los Angeles on a Canadair Regional Jet with 50 seats began Dec. 18, 2009
2. Nonstop daily service by Horizon Air on a Bombardier Q-400 to Mammoth, CA with 76 seats, began on December 17, 2009 and will end in April, 2010
3. Additional nonstop to Phoenix by US Airways began Dec. 18 and ended Jan. 3, 2010 on an Airbus 319 aircraft with 124 seats

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4. Nonstop to Atlanta by Delta began December 19, 2009 and ended January 3, 2010 on a Boeing 757 aircraft with 183 seats. Seasonal flight is expected to return.
5. One additional flight to Denver: A nonstop by United on a Canadair Regional Jet with 66 seats beginning January 5, 2010
6. Nonstop daily service to Denver on Southwest Airlines on a Boeing 737 aircraft with 136 seats. Same plane, direct service goes on to Boston, began January, 2010
7. Additional nonstop by Southwest to Phoenix on a Boeing 737 with 136 seats began service on January 10, 2010
8. Additional nonstop service to Dallas on American Airlines on a Boeing 757 with 188 seats that began service on February 11, 2010
9. Additional nonstop to Boise on Southwest on a Boeing 737 with 136 seats began service on March 15, 2010

Announced new service to begin prior to the start of the new budget year on July 1, 2010:

1. Additional nonstop to Portland by Southwest on a Boeing 737 with 137 seats scheduled to begin in May, 2010
2. Two additional daily nonstop flights by Horizon Air to Seattle on a Bombardier Q-400 with 76 seats schedule to begin June 6, 2010
3. Three daily nonstops by American Eagle to Los Angeles on an Embraer ERJ-140 with 44 seats to begin service on June 10, 2010
4. Additional nonstop by United Airlines to Los Angeles on a Canadair Regional Jet with 50 seats to begin service on June 10, 2010
5. Additional nonstop to Los Angeles by Alaska/Horizon on a Bombardier Q-400 with 76 seat aircraft to begin service on June 6, 2010

These new flights will give Reno-Tahoe 72 daily departures in July 2010, which is up 24 percent from the low point of 58 daily departures in November 2009.

According to the Air Transportation Association (ATA), the Reno-Tahoe International Airport (RNO) is the No. 1 airport in the nation in additional flights based on a comparison of the third quarter of 2010 to the third quarter of 2009. This ranking is based on an increase of 14.7 percent between the two periods. The second largest increase in the nation is Detroit Metro with a 13.4 percent increase with Milwaukee Mitchell Field registered in third place with an increase of 12.3 percent. Many airports in the western states are still plagued by decreases in the number of flights. San Jose is down 12.4 percent, Ontario 8.8 percent, Oakland 3.6 percent and Las Vegas is down 2.5 percent.

Based on this new and announced air service, the FY 2010-11 Budget is forecasting enplaned passenger traffic will reach 1,932,000, an increase of 10% over the prior year's budget and an increase of 2.4% over the current year actual results.

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The Reno, Sparks, and Lake Tahoe area developments have a significant impact on air service demand in this market and each of these communities is taking proactive steps and a long-term view toward the future.

The City of Reno's downtown redevelopment process is making visible progress. Old buildings in the core downtown area were acquired and demolished to make way for a new events center, a court house, a condominium tower, and a theater complex and more recently a baseball stadium that is home to the Triple-A affiliate of Major League Baseball's Arizona Diamondbacks, the Reno Aces.

The United States Bowling Congress (USBC) recently announced that Reno will play to both the USBC Open Championship and the Women's Championship at the same time in 2013 and 2014. The dual events are expected to bring an estimated 125,000 visitors to town over a five month period with an estimated economic impact of nearly \$250 million. Before debuting together in 2013, the Open Championship will be in Reno in 2011 and the Women's Championship will be held here in 2012.

A new shopping development, "The Legends at Sparks Marina", an estimated \$1 billion dollar project located in the city of Sparks, opened August, 2009 with dozens of retailers, restaurants and entertainment venues, occupying nearly two million square feet and is expected to draw 800,000 tourists annually.

South Lake Tahoe is also upgrading its recreational facilities as a \$1 billion redevelopment project has been completed that includes new lodging and timeshare properties, retail shopping, restaurants, and a new 2.5 mile gondola from South Lake Tahoe to the Heavenly Valley Ski resort. The Ritz-Carlton Hotel Company opened Lake Tahoe's first five-star luxury hotel at the Northstar ski resort. This new \$300-million resort project opened in December, 2009. On the California side at the south end of the lake, small old motels and shops are being razed to become parks and open areas to enhance the perception of Lake Tahoe's alpine setting. These changes are designed to enhance the area's visual, environmental and economic qualities.

#### **Operating Environment**

With the support of the Board, RTAA management over the past two years has aggressively and proactively taken significant steps in response to the lower passenger and aircraft activity and its impact on our revenues. These steps include significant reductions in the following operating categories:

- Salaries and Benefits
  - a) RTAA has taken steps to not fill existing vacant positions in the budget, leaving newly vacant positions unfilled if not "mission critical", reduced staff through

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layoffs, and increased the percentage of employee time charged to grant funded projects, if eligible and appropriate.

- b) Salaries were frozen for all employees through June 30, 2010.
  - c) Retirement Buy-Out Packages were offered to employees who meet certain age and years of service criteria of at least 60 years old with 20 years of service.
  - d) The Authority restructured its health plan to reduce the size of the cost increase to the Authority by asking employees to carry higher deductibles.
- Capital improvement projects and fixed assets have been deferred or eliminated.
  - Preventive and non-essential maintenance projects have been deferred.
  - Outside consulting and professional services have been reduced and the Authority has focused its service efforts on mission critical functions.
  - Offsite travel/ training have been significantly downsized and all travel requires the approval of the President/ CEO or the Executive Vice-President/COO.

These steps have placed tremendous stress on the organization and it is only through the dedication of the Authority's employees that Reno-Tahoe International Airport (RTIA) and Reno-Stead Airport continue to meet its mission critical responsibilities and provide quality services to the community.

Outstanding fiscal performance has been a hallmark of the RTAA. In August 2008, the Air Transport Research Society ranked RTIA fifth behind Atlanta, Raleigh-Durham, Minneapolis-St. Paul and Tampa International as the top five most efficient airports in North America. Canadian-based researchers gathered and analyzed information from sources such as airport financial statements and the Federal Aviation Administration (FAA). They also measured revenue streams from airport restaurants, stores and landing fees.

Staff is determined to continue the RTAA's reputation for efficiency this year despite budget constraints. This budget reflects a dedicated effort to keep the cost per enplaned passenger very reasonable, while using staff innovation, technology and carefully targeted outsourcing to maintain RTAA's high standard of customer service.

Each year since 1997, the RTAA's budget document has won the Distinguished Budget Presentation Award from the Government Finance Officers Association. This year's budget maintains those same standards of excellence while setting the stage for future growth in services and facilities.

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The Budget for FY 2010-11 reflects three (3) watershed events that will significantly impact the Authority's revenue forecast and debt structure in the upcoming year. These events include: (1) a new five year use and lease agreement with the airlines; (2) the successful re-bidding of the rental car concession agreements; and (3) the approximately \$4.4 million early retirement/defeasance of Airport System debt and related interest.

**Airline Agreement**

The Authority is operating under an airline agreement and business arrangement that was negotiated in 1996. This agreement was originally intended to support the Authority's goals and objectives for a five-year period. Due to various events and circumstances since 2001, the Authority and Signatory Airlines have amended the agreement several times and extended the term with the intent to negotiate a new business arrangement, potentially, when circumstances warranted and permitted. The current one-year amendment to the agreement ends on June 30, 2010.

A complete financial review by Authority Staff and its consultant determined that the current rates and charges formulas are not sustainable for the future. Given the current financial circumstances, the airlines and the Authority have worked together to address the current financial environment in a manner that does not create a financial burden to the airlines and meets the financial requirements of the Authority. The proposed agreement is designed to reflect that both sides face significant financial challenges and change is needed.

At the request of the airlines, the Authority's existing debt was restructured after the terrorist attacks on September 11, 2001 resulting in increasing debt service over the remaining term through July 1, 2012. This financial situation, with no proactive steps, would significantly increase rates and charges, at a time when airlines could least afford the increase. These circumstances were major contributing factors behind the Authority's agreement to provide debt relief as outlined below in Debt Defeasance.

Recognizing the importance of air service to our community, the Authority acknowledges it will need to make several changes in recognition of the financial challenges faced by the airline industry. The proposed business arrangement will, excluding inflation, establish relatively flat airline cost per enplaned passenger over the term. This continues the ongoing historic trend of RTIA having reasonable costs in comparison to other medium hub and west coast airports.

From the Authority's perspective, the new agreement also achieves several critical financial goals:

- Provides greater upfront recovery of terminal costs

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- Restores annual cash to historic levels realized prior to the economic slowdown and its impact on passenger traffic.
- Creates a stable perspective from the investment community regarding the Authority's financial position and credit rating.
- Provides internal cash to support needed Capital Improvements not eligible for funding under FAA Grant and PFC eligibility standards.
- Maintains a meaningful revenue sharing relationship with the airlines

The proposed business arrangement has a new terminal rental rate formula as one of the primary initiatives. The proposed change is intended to recover upfront more of the operating, maintenance, and development costs of the Terminal Cost Center with greater revenue sharing provided to the airlines after the Authority meets its obligations.

A more thorough discussion on the Airline Agreement can be found in Section 3 Financial Plan.

#### **New Rental Car Agreement**

In regards to the rental car relationship, the current agreement, which expires on June 30, 2010, is budgeted to generate revenue of \$8,547,500 in FY 2009-10. This revenue reflects the greater of a minimum annual guarantee (MAG), as bid in early 2005, or 10% of gross receipts. With the rebidding of the contract for the next five year period, the rental car companies adjusted their MAG bids to reflect the current "new normal" level of passenger traffic and bid MAGs that reflect 10% of gross revenues at current traffic levels. Based on this reality, rental car revenue is forecasted to decrease by \$2,759,100 to \$5,788,400, a decrease of approximately 33%.

#### **Debt Defeasance**

The debt service included in the FY 2010-11 Budget is based on the existing revenue bond debt outstanding of \$44,865,000 less the proposed defeasance of principal in the amount of \$4,165,000 and related interest in the amount of \$208,250. The scheduled defeasance is scheduled to be effective prior to July 1, 2010. Total debt service, including interest, for 2010-11 is budgeted to be \$6,893,650. Without this defeasance, the total annual debt service for FY 2010-11 would have registered \$11,266,900.

The defeasance of debt service in FY 2010-11, with significantly lower debt service in the following years, provides the following benefits:

- The airline benefit immediately from lower landing fees and terminal rental rates.

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- Increase of the Authority’s debt service coverage ratio (budgeted revenue less operating expense pledged to pay debt service) to 158 percent from 130 percent in the FY 2009-10 Budget.
- This defeasance is a key provision that allowed the Authority to obtain greater upfront recovery of terminal costs and restoration of annual cash to the Authority to historic levels over the next five years.

#### **Budget Document Structure**

The budget document is composed of six sections:

Section 1: Introduction and Summary - Describes the RTAA and summarizes key points of the budget

Section 2: Organization Guide - An operational guide detailing personnel and staff organizational structure

Section 3: Financial Plan - Financial narratives as well as explanations of revenue and expense budgets

Section 4: Supplemental Data - Narratives and charts of local economic activity, airport and airline activity and financial performance

Section 5: State of Nevada budget form

Section 6: Glossary of airport industry terms

#### **Background**

RTAA is a quasi-municipal corporation that was created by the Nevada State Legislature and began operation on July 1, 1978. The nine-member Board of Trustees that governs the RTAA is appointed by the City of Reno, City of Sparks, Washoe County and the Reno Sparks Convention and Visitors Authority. The RTAA is an independent entity that is not part of any other unit of local government and does not use local property or sales tax revenue to fund its operation.

The RTAA owns, and operates the RTIA and Reno-Stead Airport. According to the latest available Federal Aviation Administration (FAA) statistics, RTIA is the 64th busiest airport in the nation. The Reno-Stead Airport is a general aviation facility of 5,000 acres that is home to approximately 100 based aircraft, and the famous Reno National Championship Air Races. Together, these airports have a \$3.24 billion annual economic impact on the local economy.

Three major air cargo carriers, FedEx, United Parcel Service (UPS), and DHL serve RTIA. Air cargo at RTIA, as measured by cargo in pounds, was approximately 105.1 million pounds, a decrease of 3.6 percent in 2009-10 as compared to the previous fiscal year. The significant downturn in the economy and businesses reducing cargo shipments due to lower inventories and sales all contributed to this significant decrease in activity.

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RTAA has seen significant improvement over the last six months with cargo activity being up 5.9% for the period of January to June 2010 as compared to the same period last year. As more companies such as Amazon.com, Barnes & Noble, and Dell Computers established e-commerce centers in the Reno/ Sparks area, Authority staff is forecasting continued growth in the use of air cargo to distribute products from our region. Growth in areas such as the Tahoe/Reno Industrial Center has also continued to help spur cargo growth and economic diversity.

Air cargo represents eleven percent (11%) of total RTIA landed weight, which is a significant factor in lowering overall landing fee costs for all carriers. See Airline Revenues- Landing Fees in this section.

**At Your Service**

From award-winning welcoming events for conventions, to highly respected air service marketing—service is what the RTAA is all about. The Airport team is constantly striving to maintain and add new airline service. And when people arrive and depart, the airport is determined to make the all important positive first and last impression on them.

RTIA has earned a reputation for integrity and professionalism when approaching airlines. While cooperative advertising programs and incentives help establish new airlines and service in the market, a spirit of partnership exists between the RTAA and the airlines that helps maintain existing service while supporting the community.

Reno-Tahoe International Airport serves as the gateway to the Northern Nevada region. Operating the gateway brings a responsibility to provide a level of service representing the best in the community. Free WiFi service is a pleasant surprise for passengers looking to stay connected before and after they fly at RTAA. In addition to dedicated personnel, the appearance of facilities, ease of vehicle parking, the security experience, infrastructure condition and tenants all strive to create a positive experience for the customer.

Customer service has been further enhanced by the Airport Baggage Check-in project (ABC) / Integrated In-Line Explosive Detection System that was completed in December, 2009. This project relocated the large bag screening devices that were in the ticketing lobby and located them behind the airline ticket counters. The updated security screening system and equipment enhance passenger safety while eliminating the need for passengers to carry their checked bags from the airline ticket counter to the bag screening devices. Moving these devices also resulted in more passenger queuing and movement space in the ticketing lobby.

To facilitate the ABC project while maintaining a high level of service, the airport constructed a temporary ticket lobby along the front curb of the terminal. Until December 2009 when the ABC Project was completed, check-in and screening was conducted in this temporary facility. This unique approach accelerated the completion time for the project while minimizing the impact and actually improving the travel experience for customers.

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**Budget Objectives**

The Reno-Tahoe Airport Authority (RTAA) over the past two years has taken a conservative approach with a focus on “mission critical” functions such as passenger safety, security, and the on-going maintenance and operations of the airport. Unfortunately, the financial situation mandated that RTAA defer on-going plans to replace aging and/or inadequate infrastructure and equipment, perform less on-going preventive maintenance, participate less in community outreach events, and step back from providing exceedingly high level of customer service as compared to other airports.

With the increased revenue forecasted from the additional air service, the additional financial security resulting from the new airline agreement, and the reduced debt burden resulting from the defeasance, the Authority’s budget addresses several issues:

1. Many employees of the Authority have not received any pay adjustment for the last two years. Despite the economic slowdown, modest inflation has eroded the value of each worker’s paycheck and the FY 2010-11 Budget reflects a small increase for all employees. While the increase is only a modest step, it recognizes the efforts of employees who have had to do more with fewer resources.
2. Several frozen and new positions were proposed to address operational challenges resulting from the prior personnel reductions and to provide resources to attract and manage new business opportunities.
3. The Airport Baggage Check-in (ABC) project was completed in December 2009 and operating costs associated with the new Baggage Handling System (BHS) of \$2,075,600 were included in the 2009-2010 budget. This budget estimate represents approximately nine months of operating costs. In the FY 2010-11 Budget, the first full year impact of this system is reflected in the budget submission. The estimated full year costs are \$2,718,380, an increase of \$642,780. This increase in the FY 2010-11 Budget is 100% offset from revenues collected from the airline under the new agreement.
4. Effective on July 1, 2010, the Authority will obtain control of facilities and ground associated with two of the three fixed based operator (FBO) sites at Reno-Tahoe International Airport. RTAA was unable to negotiate an extension with Jet West and Sierra Air Center, whose leases expired on June 30, 2010 after twenty-five years. In anticipation of providing property management, leasing, and maintenance of these facilities, the FY 2010-11 Budget includes \$463,650 of new, additional costs. In return, the Authority is forecasting additional revenue from the direct lease of the hangar facilities of \$886,700.

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With all of the new opportunities and challenges, RTAA management will remain proactive and aggressive in the following areas:

- Strive to remain a low cost airport and keep airline landing fees and rental rates as reasonable as possible.
- Continue efforts to increase the level of air service at Reno-Tahoe International Airport (RTIA) as measured by the number of seats and flights.
- Maintain a focus on increasing the level of air cargo activity as another means of increasing landed weight at RTIA.
- Diversify revenue sources through significantly expanding business and land development at both Reno-Tahoe International and Reno-Stead Airport.
- Continue the effort of growing and expanding the concession programs with a focus on providing new services and products to meet customer demands. RTAA's non-airline revenue is approximately 70% of the overall revenue collected. This ratio is very high as compared to other airports.
- Further customer service by delivering a high level of cleanliness and communication.

Staff continues to use innovation, technology, and new service delivery methods to maintain RTAA's standard of customer service. Some of the proposed increases in the budget are focused on providing staff resources and new technology to upgrade the critical systems and services needed to meet as high a level of customer service as possible.

The Airport's budget is a zero-based process. Staff develops work plans to accomplish the Board Goals. Budgets are then developed to implement the work plans that achieve the daily functions of operating the airports and implementing the necessary airport improvement projects.

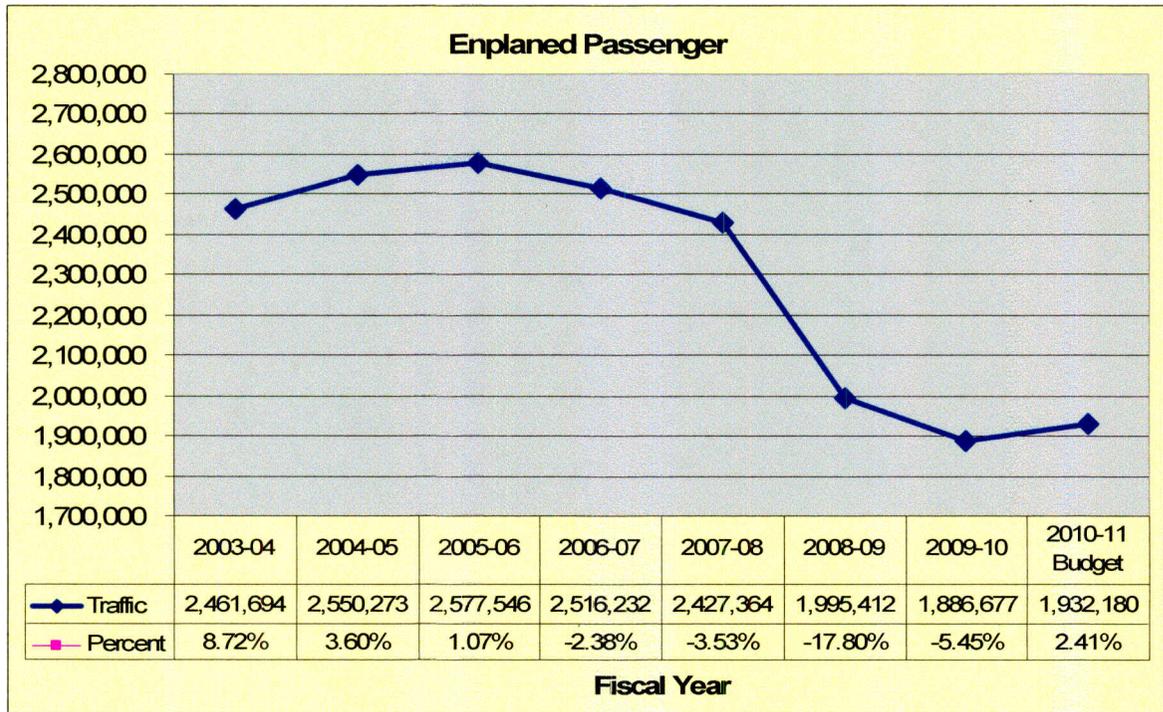
**Economic and Operational Trends Affecting the Budget**

The FY 2010-11 Budget reflects, in part, the Authority's operating environment. Uncertainty exists with respect to the magnitude and strength of the current economic recovery and its impact on air travel. While the budget reestablishes funding for some critical needs, the budget is based on conservative estimates and Authority staff is prepared to develop contingency plans should the traffic and revenue forecast deteriorate from the forecasts included in the proposed FY 2010-11 Budget:

- For the fiscal year-to-date through June 2010, the Authority's total enplaned passenger traffic is down 5.5 percent as compared to the same period last year.
- Passenger enplanements are projected to increase to 1.9 million or 2.4 percent from the FY 2009-10 projected results.

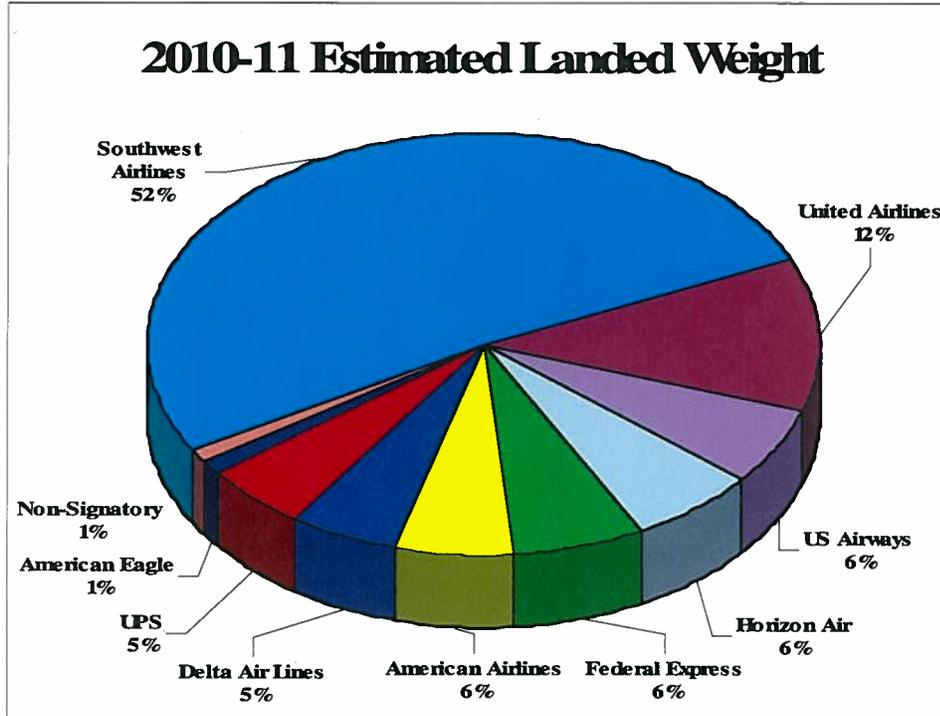
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- The FY2010-11 Budget reflects the capacity increases and new air service announcements through May 31, 2010



- Landed weight is estimated to be 2,921,052 lb units in FY 2010-2011, an increase of 7.0% from the prior year budget
- Southwest continues to be the dominant player in the market; however, cargo carriers are becoming a larger component

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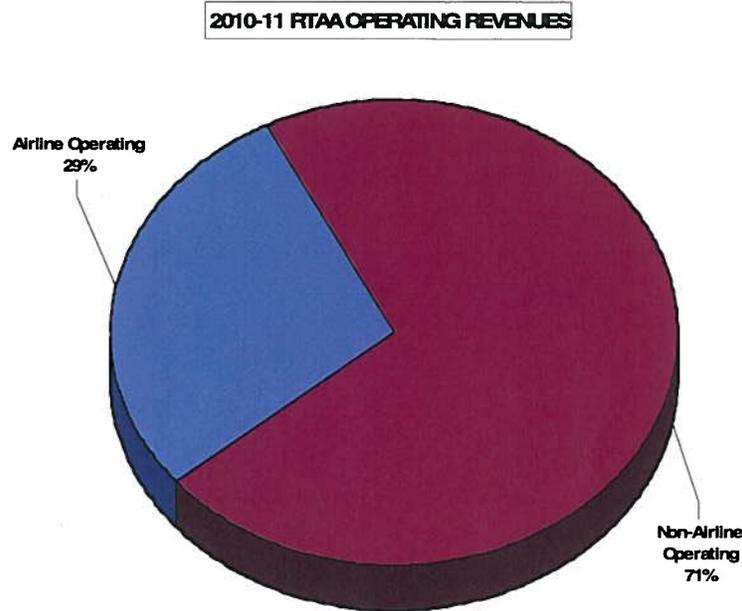


**Budget Summary**

This budget is for the RTAA’s 2010-11 fiscal-year, which begins on July 1, 2010, and ends June 30, 2011. RTAA has conservatively based its budget on a forecast of an increase in passenger enplanements in FY 2010-11. With additional air service, as mentioned previously, a 10.1 percent increase in passenger enplanements (passengers boarding an airline) is projected for the FY 2010-11 Budget. As outlined earlier in this section, RTAA anticipated and took proactive steps to address the anticipated decline in traffic in the adopted FY 2009-10 Budget. The increase in FY 2009-10 forecast over projected is due to the additional air service that has been added to the Reno-Tahoe market.

The Total Operating Revenue budget for 2010-11 is \$44,765,296. This represents a 4.5 percent decrease from the FY 2009-10 Budget. Of the total operating revenues, \$12,856,014 or 29 percent are revenues attributed to the airlines such as landing fees and terminal building rents and \$31,909,282 or 71 percent are non-airline revenues. Maintaining a high proportion of non-airline revenue to airline revenue assures that the airlines’ costs to operate at RTIA remain low. The major non-airline revenues are Gaming Concession, Parking Revenue, Rental Car Concession, Food and Beverage and News and Gifts Concessions, and the terminal building Advertising Concession.

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Highlights of the increase in Total Operating Revenues are as follows:

**Airline Revenues**

The airline agreement, discussed earlier in this section as well as in Section 3 Financial Plan, sets forth the rate setting formula by which airlines pay for the facilities and services they use. The current Airline Operating Agreement is scheduled to expire on June 30, 2010. With Board approval, staff and the airlines have structured a new five (5) year business arrangement and lease that is effective on July 1, 2010. The FY 2010-11 Annual Budget was developed based on the business arrangement specified in the new Airline Agreement.

The total FY 2009-10 Airline Revenues are forecasted to be \$12,856,014, a decrease of \$1,667,790 or 11.5 percent under FY 2009-2010 Budget. Airline revenues are primarily comprised of landing fee revenue and terminal building rental revenues.

**Landing Fee**

Pursuant to the airline agreement, landing fees are determined by the requirements in the Airfield Cost Center. Landing fees are charged to passenger and cargo carriers for each aircraft landing based on the aircraft's Maximum Gross Landed Weight. The detailed landing fee calculation appears in Section 3 Financial Plan.

The estimated FY 2010-11 signatory landing fee rate is \$2.01. This is a \$1.51 decrease from the budgeted 2009-10 signatory landing fee rate of \$3.52. Total Landing Fee revenue for 2010-

## **Reno-Tahoe Airport Authority**

**2010-11**

### **Annual Budget**

#### **Section 1 – Introduction and Summary**

2011 is estimated to be \$5.87 million as compared to \$9.64 million in the 2009-2010 budget. This significant increase is due primarily to the following factors:

- The operation and maintenance costs allocated to the Airfield Cost Center are increasing 18.1 percent over the prior year budget. This is due mainly to higher personnel and purchased services required to operate and maintain the airfield along with changes in percentages of costs allocated to the airfield based on the new airline agreement.
- Debt service allocated to the Airfield cost center has decreased from \$3.5 million in last fiscal year to zero for Fiscal Year 2010-11. This change in debt service is the result of the debt defeasance being recognized under the proposed new airline agreement.
- An expansion of airfield related revenues being applied as a reduction to airfield costs being recovered and an increase in landed weight due to additional air service.

#### Terminal Rental Rate

An average terminal building rental rate is set pursuant to the airline agreement, based on the requirements of the Terminal Building Cost Center. Total Terminal Building Rental Revenue for 2010-2011 is estimated to be \$6.98 million as compared to \$5.22 million in the 2009-2010 budget, an increase of 34 percent. The detailed terminal building rental rate calculation appears in the Section 3 Financial Plan.

The average rental rate for 2010-11 is \$54.56 per square foot per year. This is a \$4.73 increase from the 2009-10 budgeted average rental rate of \$49.83.

The significant change in average rental rate is due primarily to the following:

- Debt service allocated to the Terminal cost center has decreased from \$875,000 in last fiscal year to zero for Fiscal Year 2010-11. This change in debt service is the result of the debt defeasance being recognized under the proposed new airline agreement.
- As part of the new airline use and lease agreement, the Authority agreed to waive annual amortization of capital improvement project in the Terminal Cost Center of \$617,000.
- While the total terminal cost being recovered is approximately \$2.4 million less than the prior year budget, the increase in rental rates is solely due to change in the denominator used in the terminal rate calculation. In the previous year's adopted budget and the expired airline agreement, the denominator was based on usable terminal space of 375,581 square feet as compared to rentable space of 244,472 square feet. If the usable terminal space denominator was applied to the FY 2010-

**Reno-Tahoe Airport Authority  
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11 Budget terminal cost requirement, the terminal rental rate would be \$35.91 per square foot per year.

**Non-Airline Revenue**

The Authority derives approximately 71% of its operating revenues from sources other than the airlines. These revenues generally follow the level of passenger activity at the Airport. A detailed breakdown of the 2010-11 non-airline revenue appears in the Section 3 Financial Plan - Revenues.

Total Non-Airline revenue for 2010-2011 is forecasted to be \$32.6 million, a decrease of \$271,951 or 0.8 percent below 2009-2010 Budget. The drop in non-airline revenues is mainly due to a \$2.842 million decrease in Auto Rental revenues. This decrease is the result of rebidding the car rental contracts and the likely significant drop in MAG (Minimum Annual Guarantee). With passenger traffic forecasted to be 10.1 percent above the current year budget and 2.4 percent above the current year forecast, the non-airline revenue, excluding Auto Rental, is projected to see an increase consistent with the change in enplanements.

Other factors include:

- Reno/Tahoe Non-Terminal Rents – The budget amount of \$5,065,300 for FY 2010-11 is 5.9 percent above the 2009-10 budget and 15.9% above the 2009-10 projection primarily due to hangar rental income anticipated from general aviation tenants upon termination of current contracts with Jet West and Sierra Air Center on June 30<sup>th</sup> 2010.
- Reimbursed Services – The new Baggage Handling System (BHS) Charge is the largest revenue source in this category and reflects 100% cost recovery of the operating maintenance agreement, utilities, supplies, and other direct costs of operating the system less any reimbursement from the Transportation Security Administration (TSA) for direct costs associated with their screening equipment.
  - These costs are to be allocated to the airlines based on each airline's number of baggage items processed through the BHS.
  - The Baggage Handling System (BHS) operation and maintenance costs have increased 30.0 percent as compared to the FY 2009-10 Budget. The increase in expenses is due to the system being operational for the full year in FY 2010-11 as opposed to the nine months of operating costs estimated for the current fiscal year. The new incremental costs are recovered by a new Baggage Handling System Charge.

**Reno-Tahoe Airport Authority  
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- The estimated BHS revenue in the FY 2010-11 Budget is \$2.595 million. This represents the Authority changing \$1.59 per processed bag assuming that the 1.932 million enplaned passengers carry 0.87 bags on average.

**Operation and Maintenance Budget**

The 2010-11 Operation and Maintenance budget is increasing 7.4 percent or \$2,492,568 to \$36,056,426 from the FY 2009-10 Budget. Without the new Baggage Handling System (BHS) operating costs as well as the inclusion of property management, utility, and maintenance services for general aviation properties that will now be operated by the Authority, the budget would register \$34,949,996 or 4.4% above the 2009-10 Budget.

- Personnel Services budget is increasing by 5.6 percent from the prior year budget. This increase is due to modest salary increases after freezing salaries in FY 2009-10 and the addition of four new positions. Health and benefit costs are decreasing 0.2 percent from FY 2009-10 Budget, which is helping to keep the overall personnel cost increase to a minimum.
- The Utilities and Communications 2010-11 Budget request is 2.9 percent or \$126,724 above the FY 2009-10 Budget and 6.4 percent or \$270,744 above the projected expenditures for the current fiscal year 2009-10. Excluding the cost associated with the BHS and the newly acquired FBO sites, the FY 2010-11 Budget for utilities is 9.0 percent or \$308,176 below the FY 2009-10 Budget. This decrease is due to the proposed rate reduction that was currently announced by NV Energy. This reduction is scheduled to go into effect October, 2010 and will reduce rates to 2005 levels.
- Purchased Services are increasing 20.7 percent or \$861,321 above the 2009-10 Budget and 24.9 percent or \$1,000,315 above the projected expenditures for the current fiscal year 2009-10. Other than the new BHS and General Aviation costs, the primary cause of this increase is due to the inclusion of \$205,000 for a purchased service contract associated with leasing of computer workstations and support services as part of a “Hardware as a Service” (HaaS) model instead of purchasing the computers as an asset of the Airport Authority. Excluding the new incremental BHS and General Aviation costs, the FY 2010-11 Budget is increasing 13.1 percent or \$417,241 above the FY 2009-10 Budget and 10.2 percent or \$332,930 above the projected expenditures for the current fiscal year 2009-10.
- Materials and Supplies are increasing 4.2 percent or \$72,548 from the FY 2009-10 Budget and increasing 4.6 percent or \$79,341 over the projected expenditures for the current fiscal year 2009-10. The largest increase is due to the inclusion of approximately \$45,000 for the supplies needed to do a complete rebuild on bag belt #2. The other significant variation as compared to budget is an increase of \$30,000 in Landside Operations. This increase is for the ticket dispensers at the entrance to the

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parking plaza. This is to cover the cost of damage to the dispensers that is either done by RTAA employees or is not reimbursed by the party that caused the damage.

- Administrative Expenses are increasing 12.3 percent or \$228,034 above the current 2009-10 fiscal year budget and increasing 20.7 percent or \$356,806 above the projected expenditures for fiscal year 2009-10. In the FY 2009-10 Budget, conference registration and associated travel and reimbursed expenses had only been authorized staff who is a committee member of an aviation trade associations or as deemed absolutely necessary by the President/CEO. In the FY 2010-11 Budget, conference and associated travel was increased to allow for professional training for additional staff. Even with the increased travel amount budgeted, all trips have to have prior approval by either the President/CEO or the Executive Vice-President/COO

**Personnel Complement**

The total FY 2009-10 personnel complement was increased by 5 positions. In addition, an additional 22.0 vacant positions have been frozen and not funded in the FY 2010-11 budget submission. This represents 3.6% increase from the personnel complement approved in the FY 2009-10 Budget.

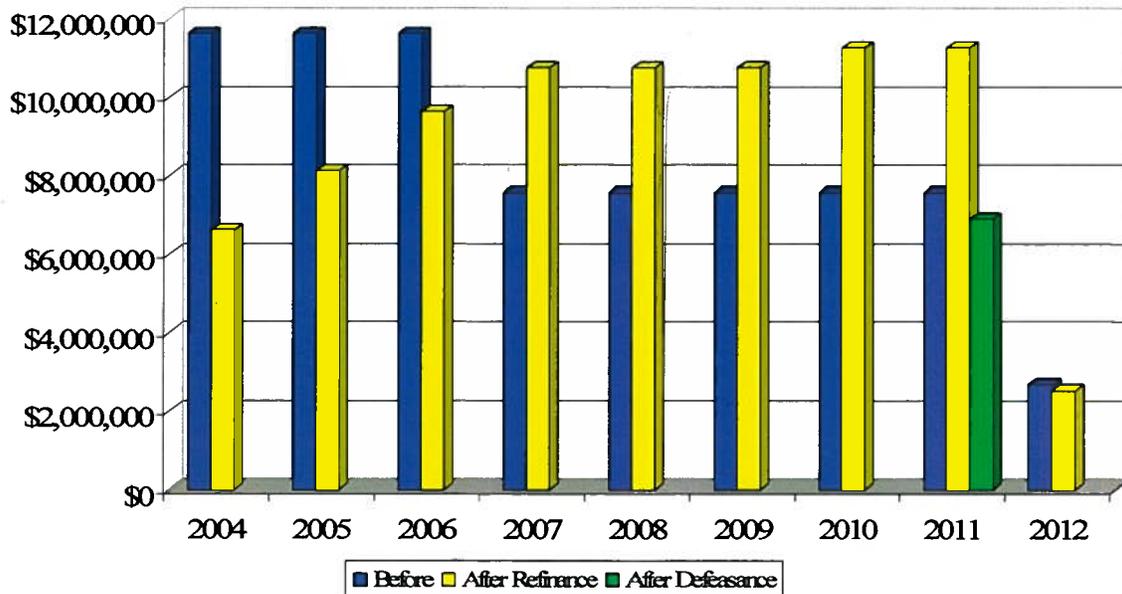
**Debt Service**

Debt Service for FY 2010-2011 is \$6,893,650, a decrease of \$4,375,075 or 38.8% over the FY 2009-10 Budget. This decrease is primarily due to debt defeasance in the amount of \$4,373,250. The current debt structure reflects a series of re-financings completed in 2002 and 2003 to assist the airlines after the terrorist attack of September 11, 2001. Without the restructuring, the scheduled debt service in FY 2010-11 would have been \$7,568,997. This proactive step to the terrorist attack was taken to provide immediate short-term relief to the airlines.

Unfortunately, the impact of the recent economic slowdown has had a more prolonged and long term impact. The graph immediately following this narrative shows the current debt service after defeasance compared to the scheduled debt service prior to and after 2002 and 2003 refinancing.

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**Refinanced Debt**



**Property, Plant and Equipment (PP&E)**

The PP&E request for 2010-11 is \$511,880. This is a significant increase from the 2009-10 PP&E budget amount of \$36,300 due primarily to the backlog of previously deferred purchases. Increasing equipment maintenance costs, the desire to increase staff productivity, and efficiency gained by reducing outsourcing of services where cost effective have led to the higher amount in PP&E requests. The specific items requested are presented under the Section 3 Financial Plan - Property, Plant and Equipment.

**Capital Projects**

Capital Project requests for RTIA and Reno-Stead Airports for 2010-11 total \$9.2 million to maintain the aging airport infrastructure, such as maintenance of the airfield and landside pavement, sealing a portion of the Parking Garage roof, and roof replacement for the Airfield Maintenance Building. A detailed list of the projects is provided under the Section 3 Financial Plan - Capital Projects tab.

**Revenue Sharing Credit**

All revenues are assigned to a cost center (Airfield, Terminal, Ground Transportation, Other and Reno Stead Airport) with expenses netted against revenues for the cost center. In the

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Airline Agreement, that becomes effective July 1, 2010, fifty percent of the Airport System net revenues for the Fiscal Year are applied to reduce Signatory Airlines terminal rental rate in the current Fiscal Year. The remaining 50 percent of the Airport System net revenues for the year are transferred to the Authority’s General Purpose Fund. Prior to calculation of the revenue sharing credit, 35 percent of gaming revenues in each Fiscal Year are retained by the Authority and not available as part of the reduction in the Signatory Airline terminal rental rate.

Revenue to be shared is projected to be \$1,083,982 for FY 2010-11, an increase of \$1.06 million as compared to FY 2009-2010 budget. The projected increase is a direct result of the defeasance of debt and the structural changes that were made to the new airline use and lease agreement. A detailed breakdown of the calculation is included in the Section 3 Financial Plan.

**Budget Process**

The RTAA, a quasi-municipal corporation, must comply with the Local Government Budget Act, Nevada Revised Statute 354 as stipulated in the Act that created the RTAA. The Local Government Budget Act defines the RTAA’s fiscal year as July 1 through June 30, and also requires the following actions:

- A tentative budget must be filed with the Nevada Department of Taxation by April 15, 2010.
- Legal notice of a public hearing must be published no more than two weeks and no less than seven days prior to the date of the public hearing.
- A budget public hearing is held the third Thursday in May to accept public comment on the budget.
- The final budget must be adopted on or before June 1 and sent to the Nevada Department of Taxation for review and approval.

The statutory requirements are summarized on the table below. Subsequent changes to the budget are made through the adoption of a resolution, by the RTAA’s Board of Trustees, which is then submitted to the Nevada Department of Taxation for approval.

<b>Statutory Date</b>	<b>Calendar Date</b>	<b>Action</b>
None	April 6, 2010 and May 17, 2010	Public Budget Workshops with the RTAA Board of Trustees
April 15 <sup>th</sup>	April 15, 2010	Tentative budget filed with the Nevada Department of Taxation
Seven to 14 days before the Third Thursday in May	May 11, 2010	Notice of Budget Public Hearing published
Third Thursday in May	May 20, 2010	Hold Public Hearing on the budget
On or Before June 1st	May 20, 2010	Adopt Budget.

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The President/CEO begins the budget process in early December with a statement of the goals and priorities for the next budget year. Staff begins the budget process by reviewing the expenditures of the first five months of the then current fiscal year. A budget packet is distributed which includes a budget calendar, forms and general directions for each department's budget submittal. The President/CEO and the Executive Vice-President/COO conduct a line item review of the Budget before a final draft is completed and submitted for the Board of Trustee's review.

**Revenue Bond Resolution**

The RTAA's revenue bond resolutions contain provisions that also affect the annual budget with regards to the calculation of airline landing fees and rents. Net pledged revenues, gross revenues less operating expenses, must exceed the revenue bond debt service requirement for the fiscal year by 25 percent. The FY 2010-11 budgeted net pledged revenues are 58 percent above the debt service requirements for the fiscal year, which exceeds the 25 percent minimum required. This is further explained in the Debt Service Summary section of this document.

The bond resolution also prioritizes the flow and use of revenues through a series of accounts held by a trustee. This flow of revenues and the priority is explained in the Trust Funds Summary section of the budget. The "funds" mentioned in this document are not the funds used for governmental fund accounting purposes. They are trust accounts monitored and held by a trustee pursuant to the bond resolutions.

**Planning for the Future**

RTAA actively plans and prepares for the airport facility needs for both the Reno-Tahoe International and Reno-Stead Airports in order to accommodate future aviation needs.

Currently, the Reno-Tahoe International Airport (RNO) has adequate airfield and terminal facilities to support existing passenger levels as well as long term growth. No significant changes to the airfield are expected; however there is a continuous pavement reconstruction program in place. As passenger levels increase, the terminal areas that would most likely require improvement and expansion include replacement of the existing concourses and expansion of the arrivals (baggage claim) lobby, security checkpoints and customs and border protection facilities.

As passenger levels begin to increase at RTIA, one of the first major expansion projects will be the public parking facilities. RTIA's existing 3,700 public parking spaces in the parking garage and the south surface lot reached capacity on certain peak travel days in 2007. It is recognized that as passenger traffic returns to previous levels, additional parking capacity will be needed. Recommended improvements include a three-step process starting with the relocation of tenant employee parking, followed by the relocation of the rental car quick-turnaround facilities and then concluding with the construction of a north garage extension.

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As a result of the over \$40 million invested in airport improvements over the last 6-7 years, the Reno-Stead Airport (RTS) has sufficient airfield facilities to support existing and future airport operations. Airfield improvements are currently in the design stage to address non-compliant runway safety area issues. However, terminal facilities, which are World War II vintage, have exceeded their functional life. A terminal programming study has been completed to determine the feasibility of improving the terminal facilities at RTS.

There are several projects underway:

- **Fixed Based Operator Request for Proposal (RFP)** – Effective July 1, 2010, the Authority will obtain control of facilities and ground associated with two of the three fixed based operator (FBO) sites at RTIA. After extensive deliberations, the Authority was unable to negotiate long-term agreements. Subsequently, the Authority advertised for Request for Proposals to utilize an undeveloped site located on the northeast corner of the airfield. The Authority is currently evaluating these proposals and construction is to begin in the first half of Fiscal Year 2010-2011.
- **Air Traffic Control Tower (ATCT)** – The FAA is completing a new ATCT at RNO which is expected to be fully operational in October 2010. The new ATCT will be 195 feet tall and will have a cab that is twice as large as the existing cab and a 10,000 square foot base building. The new ATCT will provide an optimum view of the airfield and terminal gates and meets current security setback requirements.
- **Reno-Stead Airport Terminal Programming Study** – Initiated in 2009, the Reno-Stead Airport Terminal Programming Study will evaluate the feasibility of building a terminal facility at RTS. Existing terminal facilities at RTS, located in two separate buildings, are inadequate; this programming study will determine whether or not a new building is a reasonable effort. A design effort was completed in early 2010 and construction on this project is scheduled to begin after appropriate funding is secured.
- **Reno-Stead Airport Runway Safety Area Design** – In 2008, a study was completed which analyzed whether or not the runways at RTS complied with FAA runway safety area requirements. As a result, design work was initiated in 2009 to address the construction of a 575-foot westerly extension to Runway 8-26, 575-foot threshold displacements on both runway ends of Runway 8-26, and the application of declared distances to Runway 14-32. Construction on this project will occur after receipt of Airport Improvement Program funding.

In addition to the above projects, several ongoing programs which demonstrate RTAA's commitment to strategically plan for future aviation demand are in place:

- **Environmental Programs** – RTAA's environmental programs seek to consistently improve environmental practices, support reduction and prevention while encouraging

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environmental stewardship. Active programs include an in-house environmental committee, an airport-wide recycling program at RNO, the creation of an Environmental Management System, and the Stead Solvent Remediation program.

- **Noise Mitigation Programs** – RTAA’s noise mitigation programs seek to mitigate the impact of aircraft noise on the local community. Through participation in the FAR Part 150 program, RTAA receives federal grants which are allocated primarily to the RNO sound insulation program. The sound insulation program is available to approximately 3,800 homes north and south of RNO as well as to eligible schools, churches and a long-term health care facility. Additional noise mitigation programs include the land acquisition program, Airport Noise Advisory Panel, an English and Spanish language noise complaint hotline, and a FAA-funded permanent noise and operations monitoring system which became operational in 2010.
- **Land Development Programs** – RTAA’s land development programs include the conversion of under-utilized vacant land and/or facilities into revenue producing use.

**Acknowledgments**

The Government Finance Officers Association of the United States and Canada (GFOA) has presented a Distinguished Budget Presentation Award to the RTAA every year since 1997. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

Authority staff is dedicated to building on RTAA’s long tradition of excellence in financial reporting and budgeting. We believe the current budget continues to conform to program requirements, and finance and budget staff is submitting it to GFOA to determine its eligibility for another award. This document will also be posted on the RTAA’s website, [www.renoairport.com](http://www.renoairport.com).

The RTAA Board of Trustees adopted this budget on May 20, 2010. The production of this budget document then began. The preparation of this document would not be possible without the hard work, dedication to detail, and accuracy of the Finance and Budget Section staff.

Respectfully submitted,

Krys T. Bart, A.A.E.  
President/CEO



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Reno-Tahoe International Airport  
Nevada**

For the Fiscal Year Beginning

**July 1, 2009**

President

Executive Director

**Reno-Tahoe Airport Authority  
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The Reno-Tahoe Airport Authority (RTAA) is governed by a nine member Board of Trustees. Each Board member is appointed by one of four entities which are served by the Reno-Tahoe International Airport. Listed below are the Board of Trustees and the entities they represent.

<u>TRUSTEE NAME</u>	<u>REPRESENTING</u>	<u>TERM EXPIRES</u>
Randi Thompson, Chair	Washoe County	June 2013
Mary Simmons	Washoe County	June 2011
Brooks T. Mancini	City of Reno	June 2011
Lynn S. Atcheson	City of Reno	June 2011
Jerry L. Hall	City of Reno	June 2013
Rick Murdoch	City of Reno	June 2013
Joseph W. Mayer	City of Sparks	June 2011
William “Bill” Eck	City of Sparks	June 2013
John Wagon	Reno-Sparks Convention & Visitors Authority	June 2013

**2010-11 PERSONNEL COMPLEMENT**

The Personnel complement following this narrative shows the total approved staff complement. Listed below are the changes to the complement approved during the budget process. The organization chart in this section shows the departments, names of the department heads and the number of employees in the department.

**ADDITIONS OR CHANGES**

**BOARD OF TRUSTEES**

**Internal Audit**

The Internal Auditor position has been reclassified as the Senior Internal Auditor to more accurately reflect the duties and responsibilities of the position.

**PRESIDENT/CEO**

**President/CEO**

The Manager of Airline Business position has been eliminated as a measure of budget saving by the President/CEO.

**Air Service Business Development**

The Aviation Analyst position has been added to the personnel complement.

**Economic Development**

This is a new department created as a result of reorganization of the Property Administration Department.

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The Manager of Property Administration position has been reclassified as the Airport Economic Development Director to more accurately reflect the duties and responsibilities of the position.

The Airport Economic Development Supervisor has been added to the personnel complement. This position will oversee the mini-warehouse/storage facilities and the Authority owned office building at 1280 Terminal Way.

The four Property Administrator positions have been reclassified as Airport Economic Development Specialist to more accurately reflect the duties and responsibilities of the position.

**EXECUTIVE VICE-PRESIDENT/COO**

**Technology and Information Systems**

The Manager of Technology and Information Systems position has been renamed as the Director of Technology and Information Systems to more accurately reflect the duties and responsibilities of the position.

The Computer Application Specialist position has been added to the personnel complement to focus on implementing and troubleshooting the current and future computer programs and applications. This position has been created to free up current staff to participate in mission-critical business continuity initiatives.

**Reno – Stead Airport**

The Airfield Maintenance Technician position has been reclassified to an Airfield Maintenance Worker I/II to more accurately reflect the duties and responsibilities of the position and needs of the department.

**FINANCE AND ADMINISTRATION**

**Accounting and Administration**

The Accountant position has been added to the personnel complement. This new position was needed to assist the Manager of Accounting to expand and enhance financial information reporting.

An Accounting Specialist II position has been reclassified as Accounting Technician to more accurately reflect the duties and responsibilities of the position and needs of the department.

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**OPERATIONS AND PUBLIC SAFETY**

**Vice-President of Operations & Public Safety**

The Special Projects Manager position has been added to the personnel complement to oversee the FBO operations and general aviation hangar rentals at Reno-Tahoe International Airport.

**Airfield Operations**

Six of the Airport Operations Officer positions have been reclassified as Operations Supervisor to more accurately reflect the duties and responsibilities of the position and one has been eliminated in conjunction with organizational changes in the Airport Security Department.

**Airport Security**

The Airport Security Supervisor position has been reclassified as Operations Supervisor to more accurately reflect the duties and responsibilities of the position.

**FACILITIES AND MAINTENANCE**

**Airfield Maintenance**

Two Equipment Operator positions have been reclassified to Airfield Maintenance Worker I/II to more accurately reflect the duties and responsibilities of the position and needs of the department.

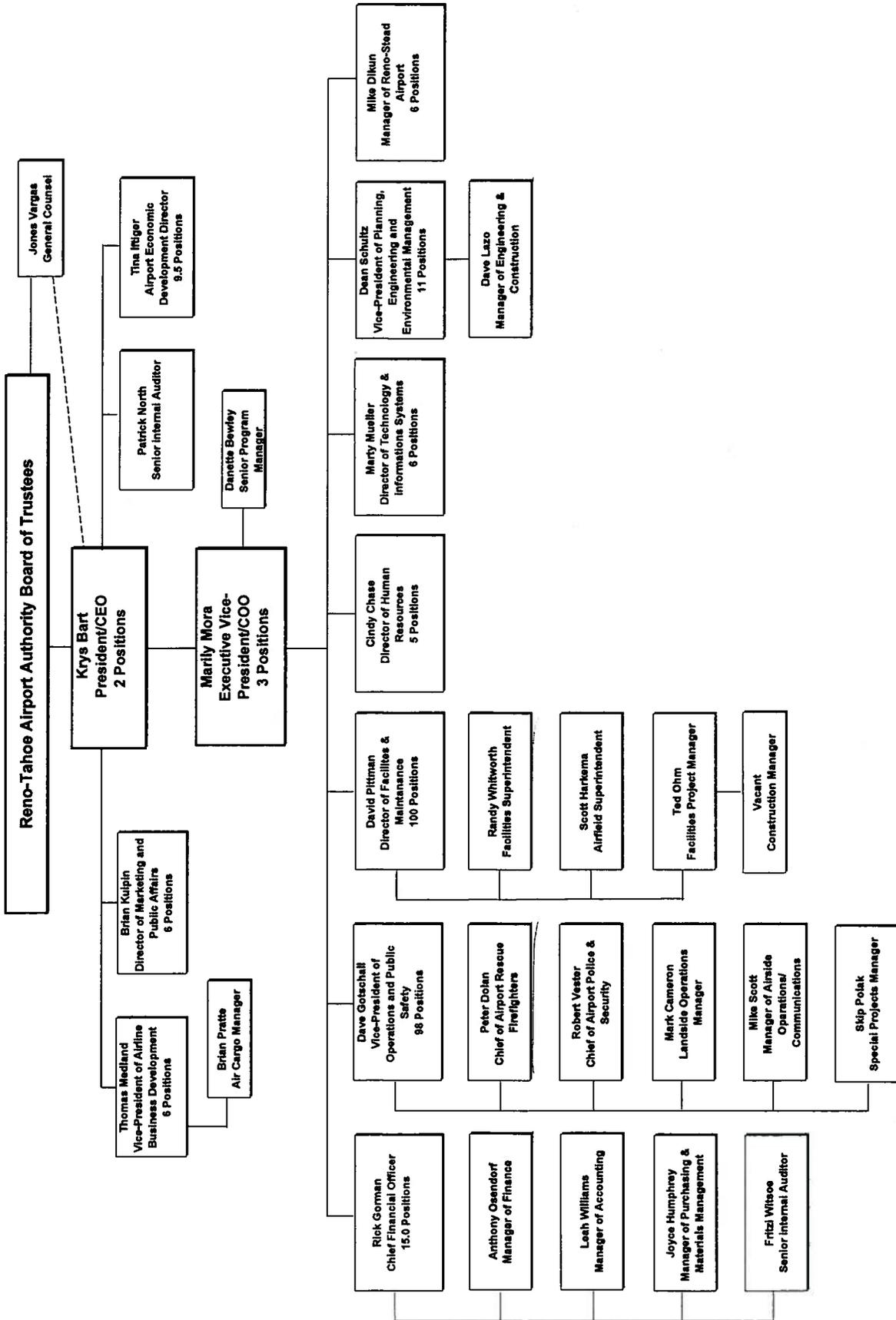
Two additional Airfield Maintenance Worker I/II positions have been added to the personnel complement due to understaffing in this area as a result of current staff being assigned additional duties.

**VACANT POSITIONS**

In response to the regional and national economic slowdown, various vacant positions that are shown in the personnel complement have been frozen by the President/CEO and are not budgeted in the personnel services section of the operations and maintenance expense budget.

Positions that become vacant during the 2010/11 fiscal year will be reviewed on a case by case basis as to whether the position will be filled or frozen as part of the organizational savings effort. The President/CEO may unfreeze various positions throughout the fiscal year depending on workload factors and/or to optimize the skill mix of the Airport Authority as other positions become vacant or other budget saving mechanisms present themselves.

2010-11



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Personnel Complement

	Budgeted and/or Authorized 2008-09	Budgeted and/or Authorized 2009-10	Budgeted and/or Authorized 2010-11
<b>Board of Trustees Department</b>			
Board of Trustees *	<u>9.0</u>	<u>9.0</u>	<u>9.0</u>
<b>Internal Audit Section</b>			
Senior Internal Auditor	1.0	1.0	2.0
Internal Auditor	<u>1.0</u>	<u>1.0</u>	<u>0.0</u>
Total Internal Audit Section	2.0	2.0	2.0
<b>Total Board of Trustees Department</b>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>
<b>President/CEO Department</b>			
President/CEO	1.0	1.0	1.0
Manager of Airline Business	1.0	1.0	0.0
Executive Assistant	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
Total President/CEO	3.0	3.0	2.0
<b>Air Service Business Development Section</b>			
Vice-President of Air Service Business Development	0.0	1.0	1.0
Director of Air Service Business Development	1.0	0.0	0.0
Air Cargo Manager	1.0	1.0	1.0
Aviation Analyst	0.0	0.0	1.0
Marketing Coordinator	2.0	2.0	2.0
Executive Assistant	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
Total Air Service Business Development Section	5.0	5.0	6.0
<b>Marketing and Public Affairs Section</b>			
Director of Marketing and Public Affairs	1.0	1.0	1.0
Public Affairs Manager	0.0	0.0	0.0
Customer Service Supervisor	1.0	1.0	1.0
Marketing Coordinator	1.0	1.0	1.0
Public Affairs Coordinator	1.0	1.0	1.0
Lead Passenger Aide	1.0	0.0	0.0
Passenger Aide	11.0	0.0	0.0
Program Technician	1.0	0.0	0.0
Administrative Assistant I/II	0.0	1.0	1.0
Administrative Clerk	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
Total Marketing and Public Affairs Section	18.0	6.0	6.0
<b>Economic Development Section</b>			
Airport Economic Development Director	0.0	0.0	1.0
Airport Economic Development Supervisor	0.0	0.0	1.0
Manager of Property Administration	1.0	1.0	0.0
Airport Economic Development Specialist	0.0	0.0	4.0
Property Administrator	4.0	4.0	0.0
Property Specialists	2.0	2.0	2.0
Administrative Assistant I/II	<u>1.5</u>	<u>1.5</u>	<u>1.5</u>
Total Economic Development Section	8.5	8.5	9.5
<b>Total President/CEO Department</b>	<u>34.5</u>	<u>22.5</u>	<u>23.5</u>

**Reno-Tahoe Airport Authority  
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Personnel Complement

	Budgeted and/or Authorized 2008-09	Budgeted and/or Authorized 2009-10	Budgeted and/or Authorized 2010-11
<b>Executive Vice President/COO Department</b>			
Executive Vice-President/COO	0.0	1.0	1.0
Deputy Executive Director	1.0	0.0	0.0
Senior Program Manager	1.0	1.0	1.0
Executive/Board Assistant	1.0	1.0	1.0
<b>Total Executive Vice President/COO</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>
<b>Technology and Information Systems Section</b>			
Director of Technology and Information Systems	0.0	0.0	1.0
Manager of Technology and Information Systems	1.0	1.0	0.0
Telecommunications Technician	1.0	1.0	1.0
Network Administrator II	1.0	1.0	1.0
Network Administrator I	1.0	1.0	1.0
Database Administrator	1.0	1.0	1.0
Computer Application Specialist	0.0	0.0	1.0
<b>Total Technology and Information Systems Section</b>	<b>5.0</b>	<b>5.0</b>	<b>6.0</b>
<b>Reno-Stead Airport Section</b>			
Manager of Reno-Stead Airport	1.0	1.0	1.0
Program Technician	1.0	1.0	1.0
Airfield Maintenance Worker I/II	1.0	1.0	2.0
Equipment Mechanic	1.0	1.0	1.0
Lead Airfield Maintenance Technician	0.0	1.0	1.0
Airfield Maintenance Technician	2.0	1.0	0.0
<b>Total Reno Stead Airport Section</b>	<b>6.0</b>	<b>6.0</b>	<b>6.0</b>
<b>Human Resources Section</b>			
Director of Human Resources	1.0	1.0	1.0
Benefits Specialist	0.0	1.0	1.0
Benefits Coordinator	1.0	0.0	0.0
Human Resources Specialist	0.0	1.0	1.0
Employee Relations & Recruitment Specialist	1.0	0.0	0.0
Training Specialist	0.0	1.0	1.0
Training Coordinator	1.0	0.0	0.0
HR Administrative Assistant	1.0	1.0	1.0
<b>Total Human Resources Section</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>
<b>Total Executive Vice President/COO Department</b>	<b>19.0</b>	<b>19.0</b>	<b>20.0</b>
<b>Finance and Administration Department</b>			
<b>Accounting and Administration Section</b>			
Chief Financial Officer	0.0	1.0	1.0
Senior Director of Finance and Administration	1.0	0.0	0.0
Manager of Accounting	1.0	1.0	1.0
Accountant	0.0	0.0	1.0
Payroll Administrator	1.0	1.0	1.0

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	Budgeted and/or Authorized 2008-09	Budgeted and/or Authorized 2009-10	Budgeted and/or Authorized 2010-11
Accounting Technician	0.0	0.0	1.0
Accounting Specialist II	2.0	2.0	1.0
Administrative Assistant II	1.0	1.0	1.0
<b>Total Finance and Accounting Section</b>	<b>6.0</b>	<b>6.0</b>	<b>7.0</b>
<b>Finance and Budgeting Section</b>			
Manager of Finance and Budgeting	1.0	1.0	1.0
Financial Analyst	0.0	1.0	1.0
Senior Financial Analyst	1.0	0.0	0.0
<b>Total Finance and Budgeting Section</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>
<b>Purchasing &amp; Materials Management Section</b>			
Manager of Purchasing & Materials Management	1.0	1.0	1.0
Senior Buyer	1.0	1.0	1.0
Materials Management Supervisor	1.0	1.0	1.0
Materials Control Technician	1.0	1.0	1.0
Warehouse Assistant/Driver	1.0	1.0	1.0
<b>Total Purchasing &amp; Materials Management Section</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>
<b>Total Finance and Administration Department</b>	<b>13.0</b>	<b>13.0</b>	<b>14.0</b>
<b>Operations and Public Safety Department</b>			
Vice-President of Operations and Public Safety	0.0	1.0	1.0
Senior Director of Operations & Public Safety	1.0	0.0	0.0
Special Projects Manager	0.0	0.0	1.0
Administrative Assistant I/II	1.0	1.0	1.0
<b>Total Vice-President of Operations and Public Safety</b>	<b>2.0</b>	<b>2.0</b>	<b>3.0</b>
<b>Airside Operations Section</b>			
Manager of Airside Operations/Communications	0.0	1.0	1.0
Airside Operations/Communications Manager	1.0	0.0	0.0
Operations Supervisor	0.0	0.0	6.0
Airport Operations Officer	7.0	7.0	0.0
Senior Communications Specialist	1.0	1.0	1.0
Airport Communications Specialist I/II	9.0	9.0	9.0
<b>Total Airside Operations Section</b>	<b>18.0</b>	<b>18.0</b>	<b>17.0</b>
<b>Landside Operations Section</b>			
Manager of Landside Operations	0.0	1.0	1.0
Landside Operations Manager	1.0	0.0	0.0
Administrative Assistant I/II	1.0	1.0	1.0
Parking Lot Attendant	8.0	8.0	8.0
Parking Shift Leader	5.0	5.0	5.0
<b>Total Landside Operations Section</b>	<b>15.0</b>	<b>15.0</b>	<b>15.0</b>

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	Budgeted and/or Authorized 2008-09	Budgeted and/or Authorized 2009-10	Budgeted and/or Authorized 2010-11
<b>Airport Rescue and Fire Section</b>			
Chief of Airport Rescue Firefighters	1.0	1.0	1.0
Deputy Chief of Airport Firefighters	1.0	1.0	1.0
Fire Captain	3.0	3.0	3.0
Driver/Operator	7.0	7.0	7.0
Fire Fighter	8.0	8.0	8.0
<b>Total Airport Rescue and Fire Section</b>	<u>20.0</u>	<u>20.0</u>	<u>20.0</u>
<b>Airport Police Section</b>			
Chief of Airport Police and Security	1.0	1.0	1.0
Police Captain	1.0	1.0	1.0
Police Sergeant	4.0	4.0	4.0
Police Officer	17.0	17.0	17.0
<b>Total Airport Police Section</b>	<u>23.0</u>	<u>23.0</u>	<u>23.0</u>
<b>Airport Security Section</b>			
Manager of Airport Security	0.0	1.0	1.0
Airport Security Manager	1.0	0.0	0.0
Airport Security Supervisor	1.0	1.0	0.0
Operations Supervisor	0.0	0.0	1.0
Airport Security Specialist	16.0	16.0	16.0
Program Technician	1.0	1.0	1.0
Administrative Assistant II	1.0	1.0	1.0
	<u>20.0</u>	<u>20.0</u>	<u>20.0</u>
<b>Total Operations and Public Safety Department</b>	<u>98.0</u>	<u>98.0</u>	<u>98.0</u>
<b>Planning and Engineering Department</b>			
<b>Planning and Environmental Services Section</b>			
Vice-President of Planning, Engineering and Environmental Management	0.0	1.0	1.0
Senior Director of Planning and Engineering	1.0	0.0	0.0
Environmental Program Manager	0.0	1.0	1.0
Environmental Compliance Coordinator	1.0	0.0	0.0
Manager of Airport Noise Program	0.0	1.0	1.0
Noise Abatement Coordinator	1.0	0.0	0.0
Airport Planner I/II	1.0	1.0	1.0
Noise Analyst	1.0	1.0	1.0
Program Technician	2.0	2.0	2.0
<b>Total Planning and Environmental Services Section</b>	<u>7.0</u>	<u>7.0</u>	<u>7.0</u>
<b>Engineering and Construction Section</b>			
Manager of Engineering & Construction	1.0	1.0	1.0
Project Manager	2.0	2.0	2.0
Capital Improvements & Grant Coordinator	1.0	1.0	1.0
<b>Total Engineering and Construction</b>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>
<b>Total Planning and Engineering Department</b>	<u>11.0</u>	<u>11.0</u>	<u>11.0</u>

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	<u>Budgeted and/or Authorized 2008-09</u>	<u>Budgeted and/or Authorized 2009-10</u>	<u>Budgeted and/or Authorized 2010-11</u>
<b>Facilities and Maintenance Department</b>			
<b>Director of Facilities and Maintenance Section</b>			
Director of Facilities and Maintenance	1.0	1.0	1.0
Facilities Project Manager	1.0	1.0	1.0
Construction Manager	1.0	1.0	1.0
Project Technician	1.0	1.0	1.0
<b>Total Director of Facilities and Maintenance Section</b>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>
<b>Airfield Maintenance Section</b>			
Airfield Maintenance Superintendent	1.0	1.0	1.0
Airfield Maintenance Supervisor	2.0	2.0	2.0
Airfield Maintenance Technician	3.0	3.0	3.0
Equipment Mechanic	3.0	3.0	3.0
Equipment Operator	2.0	2.0	0.0
Senior Grounds Maintenance Worker	1.0	1.0	1.0
Grounds Maintenance Worker	1.0	1.0	1.0
Airfield Maintenance Electrician	3.0	3.0	3.0
Airfield Maintenance Worker I/II	8.0	8.0	12.0
Administrative Assistant I/II	1.0	1.0	1.0
<b>Total Airfield Maintenance Section</b>	<u>25.0</u>	<u>25.0</u>	<u>27.0</u>
<b>Building Maintenance and Services Section</b>			
Facilities Superintendent	1.0	1.0	1.0
Facilities Supervisor	6.0	6.0	6.0
Building Maintenance Technician	7.0	7.0	7.0
Building Maintenance Worker I/II	6.0	6.0	6.0
HVAC Technician	5.0	5.0	5.0
Building Maintenance Electrician	3.0	3.0	3.0
Maintenance Scheduler	1.0	1.0	1.0
Facilities & Maintenance Planner	1.0	1.0	1.0
Senior Airport Facilities Custodian	2.0	2.0	2.0
Airport Facilities Custodian	37.0	37.0	37.0
<b>Total Building Maintenance and Services Section</b>	<u>69.0</u>	<u>69.0</u>	<u>69.0</u>
<b>Total Facilities and Maintenance Department</b>	<u>98.0</u>	<u>98.0</u>	<u>100.0</u>
<b>TOTAL AIRPORT (Does not include the appointed Board of Trustees)</b>	<u><u>275.5</u></u>	<u><u>263.5</u></u>	<u><u>268.5</u></u>

\* Appointed positions

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As a quasi-municipal corporation, the RTAA was created by the Nevada Legislature to acquire, operate, and finance the airports and related facilities for a public and governmental purpose. The RTAA operates financially as a proprietary enterprise fund, which means its method of accounting is similar to private business. An enterprise fund is an accounting method that utilizes a separate fund for a specific purpose, which in this case is operating an airport system. Enterprise funds are self sufficient, with the enterprise's revenues paying the enterprise's expenses.

**Basis of Accounting/Budgeting**

Under Generally Accepted Accounting Principles, the RTAA's annual audited financial statement is prepared on the accrual basis. The RTAA's budget is also presented on the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The trust funds mentioned in this Section, and later in the document, are required by the RTAA's revenue bond resolutions. The bond resolutions prescribe the flow of the RTAA's revenues through the trust funds, and prioritize the revenues' use. These are not the funds used in fund accounting which is common in the public sector.

**Legal Requirements**

The enabling legislation, which created the RTAA, requires the RTAA's budget process comply with the Local Government Budget Act, and The Local Government Purchasing Act. The Local Government Budget Act budget calendar was mentioned previously in the Introduction Section. The Local Government Purchasing Act also affects the RTAA's financial operation. This Act controls all government purchasing in Nevada and requires that purchases exceeding \$50,000 must be formally bid with notices published in local newspapers.

The Act also defines certain exceptions to the required bidding process such as professional services, data processing equipment, and insurance. Nevada's Local Government Securities Law defines the process to be used by Nevada governments, including the RTAA, when issuing short and long term debt. In addition to these state laws, other factors affecting the RTAA's budget process are the airline agreement and revenue bond resolutions.

**Revenue**

The airline agreement, discussed later in this narrative section, establishes the important airline rate setting mechanism for the RTAA. Those formulae for the airline landing fee and terminal rental rates are shown in the following pages. The cost center mechanism of the airline agreement also aids the RTAA in setting other non-airline rates and monitoring the profitability of various business products and services. Most of RTAA's concession agreements are awarded through a competitive proposal process. The non-airline concession revenues are also discussed in the Revenues section of the budget.

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**Airline Agreement**

An Airline Agreement is the contract between the airport operator and its tenant airlines that establishes the rights, privileges, and obligations for each party and defines how the airport is to be used by the airlines. In addition, an Agreement also identifies the following:

- Establishes the business arrangement/rate-setting methodology with the airlines
- Identifies the premises and facilities leased by the airlines and defines the degree of control by the lessee (e.g., exclusively-leased, preferentially-leased, leased in common, etc.)
- Defines the level of control over the expenses at the airport, if any (typically capital expenses are those where the airlines may have some control through a majority-in-interest or similar type provision)
- Identifies general party responsibilities and obligations regarding indemnification, insurance, environmental issues, and other governmental inclusion

In addition to the above, an Agreement can also be viewed as beneficial because it symbolizes that the airport operator and airlines have worked together to arrive at a common business relationship.

The two primary rate-setting approaches used in airport-airline business arrangements are the residual and compensatory approaches. A pure residual methodology is where the airlines bear the overall financial risk for the airport operation, and, thus, in turn receive the benefit of all non-aeronautical revenue credited towards the calculation of their rates and charges.

On the opposite side of the spectrum, a pure compensatory rate-making approach is where the airport operator assumes the overall financial risk for the airport operation. As such, the airport operator does not provide any non-aeronautical revenue credits towards the airline rate base.

There is also a third approach, generally called a hybrid methodology, that is any mixture or combination of the prior two approaches and may include a “revenue sharing” component of excess non-airline revenues generated at the airport.

Federal law does not require any single approach to airline rate-setting; however, it does require the methodology used is applied consistently to similarly situated aeronautical users and conforms to the Department of Transportation’s Policy Regarding Airport Rates and Charges.

The Authority is currently operating under an airline agreement and business arrangement that was negotiated in 1996. This agreement was originally intended to support the Authority’s goals and objectives for a five-year period. Due to various events and circumstances since 2001, the Authority and Signatory Airlines have agreed to amend the agreement several times and extend

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the term with the intent to negotiate a new business arrangement, potentially, when circumstances warranted and permitted. The current one-year amendment to the agreement ends on June 30, 2010.

In the last few years, Reno-Tahoe International Airport (RTIA) passenger traffic and revenues have been impacted by the current economic recession. Over the past eighteen (18) months, staff and the Authority's consultant have been analyzing the Authority's financial situation, developing an action plan, and negotiating with the airlines. With Board approval, staff and the airlines have structured a new five (5) year business arrangement and lease that is effective on July 1, 2010. The FY 2010-11 Annual Budget was developed based on the business arrangement specified in the new airline Agreement.

As with the current airline agreement, the new agreement is a hybrid of a compensatory rate setting formula with cost center revenues less expenses from all cost centers called net revenues. The RTAA's six cost centers are: Airfield, Terminal Building, Baggage Handling System, Parking and Ground Transportation, Other, and Reno Stead Airport. The net revenues are split equally between the signatory airlines and the RTAA.

The airline cost centers are the Airfield and Terminal Building. The operating and debt service expenditures in these two cost centers are used to set the RTIA's airline landing fee and terminal building rental rate respectively. The expenditures in the Airfield cost center are divided by estimated aircraft landed weight resulting in a landing fee rate. The expenditures in the Terminal Building cost center are divided by a defined subsection of square footage of the terminal building resulting in an average rental rate.

The new agreement has a revised terminal rental rate formula as one of the primary initiatives. Rather than use a "useable" space (total terminal space less mechanical utility space) divisor in the calculation, the new agreement provides for a "rentable" divisor (total terminal space available that is revenue producing and available for lease). Use of rentable space, a smaller subsection of terminal building space, increases the rate per square foot. With this change, the Authority will recover more of the operating, maintenance, and development costs of the Terminal Cost Center from the airlines upfront, which will generate greater revenue sharing to the airlines after the Authority meets its obligations.

Under the new methodology, the airlines in FY 2010-11 are forecasted to pay 55% of total terminal building costs, prior to revenue sharing, as compared to 26% under the existing agreement.

The proposed new five (5) year Airline-Airport Use and Lease Agreement also includes the following modification to the rate setting methodology and cost allocation formulas with the airlines:

- Revenue sharing will be credited against the terminal rents and not landing fees as currently provided to mitigate the cost impact of the change in the terminal rental rate methodology.
- All airlines (passenger and cargo) will pay the same, lower landing fee rate.

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- A bond early retirement or defeasance of approximately \$4.4 million of principal and interest of Airport Revenue Bonds, Series 2003. This action will remove all debt service from airline cost centers in FY 2010-11 and is a critical component of the proposed agreement.
- The Authority will no longer include capital project amortization in the Airfield or Terminal rate base during the proposed term (FY 2010-11 to FY 2014-15).
- The Authority will not recover amortization for assets placed in service prior to FY 2010-11 from net revenues before revenue sharing (including any amortization in nonairline supported cost centers).
- The Authority will contribute its share of the FY 2009-2010 revenue share, currently estimated to be \$800,000, to increase the Signatory Airline's revenue share in FY2010-11; thereby, reducing Signatory Airline Terminal Rental Rates.

Also proposed is a new formula for calculating landing fees that consists of expanding airfield related revenues used to reduce the net airfield cost recovered through landing fees.

The new business arrangement will allow RTAA to achieve several critical financial goals:

- Improved financial stability and protection through a greater upfront recovery of terminal costs
- Restoration of historic annual cash flows to the Authority to meet its operating and capital needs
- By maintaining reasonable airline fees and charges, it will be easier for new entrants and incumbent airlines to initiate new or increase existing air service at the airport.
- Signatory Airlines will demonstrate their commitment to the Reno-Tahoe market through the leasing of a minimum amount of space in the terminal over the term of the new agreement.

The agreement also provides for an airline review of the budget, and allows airlines to vote to deny inclusion in the airline rates of capital projects in the airline cost centers. In the existing 1996 airline agreement, the first \$1 million of projects are not subject to a denial vote by the airlines. The airlines review and vote on the projects over that first \$1 million that are in the airline costs centers of the Airfield or Terminal Building. Capital projects over \$250,000 must be amortized over a number of years and cannot be included in its entirety in the year it is placed in service.

Per negotiations with the airlines, the new agreement provides that the first \$1 million of projects in the Airfield Cost Center, \$2 million in the Terminal Building Cost Center, and \$500,000 in the BHS Cost Center will not be subject to a denial vote by the airlines. The airlines will review and vote on the projects over these thresholds in the corresponding airline cost centers. Capital projects over \$300,000 must be amortized over the useful life of the asset and cannot be included in its entirety in the year it is placed in service. This change recognizes the changes in the cost of construction over the years and provides the Authority more flexibility to implement projects without airline consent.

An annual meeting is held with the signatory airlines to review the budget and further explain the capital projects. The airlines have 30 days after this budget review meeting to deny a capital project.

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A Majority In Interest (MII) must vote to deny a project based on the airline agreement. A Majority In Interest is 60 percent of the signatory airlines that landed at least 50 percent of the signatory airline landed weight or 50 percent of the signatory airlines that landed at least 60 percent of the signatory landed weight. This type of formula is common in the airport industry to foster a democratic process for the large and small airlines that may have different capital project goals at the airports they serve.

It is difficult to compare landing fees and rental rates at airports because of the variations in rate setting mechanisms contained in airline agreements. One financial indicator used to compare airports is cost per enplanement. This is the sum of the airline's costs to operate at RTIA (landing fees and rent) divided by the number of enplaning or departing passengers. The RTAA budgeted cost per enplanement for fiscal year 2009-10 was \$7.76. Due to the changes in the airline rates and charges methodology and the debt defeasance of principle and interest in the amount of \$4.4 million as outlined, the Authority is estimating a \$6.20 cost per enplanement for 2010-11. Cost per enplanement is equivalent to a municipal or county government cost per capita as a means of comparing different governments' cost of operation.

**Bond Resolution - Trust Funds**

To finance capital improvement projects and construct new facilities, the Authority issues Airport System bonds that are special, limited obligations of the Authority paid solely from and secured by Net Revenue (Gross Revenue remaining after the dedication of Operation and Maintenance Expenses) and other funds established by a Bond Resolution. Under the Bond Resolution, the Authority pledges to deposit its revenues and to fund its operations and required reserve accounts as established through a defined priority basis. *Section 3 - Trust Funds Summary* reviews the various reserve bond funds available to limit the impact of revenue shortfalls or unpredicted significant expenditures.

The Authority has pledged that it will adopt, revise, and continue in effect a schedule of rentals, fees, and charges sufficient to generate revenues in an amount equal to or greater than the sum of 1.25 times the amount of annual requirements on the Outstanding Bonds or 100% of the amount required to be deposited in the various funds and accounts as required by the Bond Resolution.

The Authority will seek to maintain a diversified revenue stream with the goal of keeping airline rates, fees, rentals and charges as reasonable as possible.

**Investment Policy**

The investment policy of the RTAA states that the primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield. The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. The "prudent person" standard states that, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for

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investment, considering the probable safety of their capital as well as the probable income to be derived."

Under authority delegated by the Board of Trustees of the RTAA, in accordance with chapter 474, Statutes of Nevada, NRS 354.474 and 355.175, and Bond Resolution 459, the investment of RTAA funds is the responsibility of the President/Chief Executive Officer (CEO). All cash, including bond proceeds, received by the RTAA will be invested by the Chief Financial Officer (CFO). The CFO will maintain a list of approved broker/dealers and financial institutions which are authorized to provide investment services to the RTAA. Authorized broker/dealers will be limited to "primary" dealers or other dealers that qualify under SEC Rule 15C3-1, the Uniform Net Capital Rule. Securities purchased by the RTAA shall be delivered against payment (delivery vs. payment) and held in a custodial safekeeping account with the trust department of a third party bank insured by the Federal Deposit Insurance Corporation designated by the CFO for this purpose in accordance with NRS 355.172.

The CFO, in accordance with the provisions of Nevada Revised Statutes (NRS) 355.170, 355.180, the current bond resolutions, and this investment policy, is authorized to invest in the following: United States Treasury Bills, Notes, Bonds, and Debentures of the United States United States Government Agency Securities Negotiable & Nonnegotiable Certificates of Deposit; Bankers' Acceptances, Commercial Paper, Money Market Mutual Funds, and the Local Government Investment Pool ("LGIP") as established by the Nevada State Treasurer under NRS 355.167

The investment policy shall be reviewed every year by the President/CEO and changes will be presented to the Finance and Business Development Committee of the Board of Trustees.

**Debt Management**

The debt policies of the RTAA are reviewed in *Section 3 Debt Summary*. This policy is fairly narrow since the RTAA has used primarily revenue bond debt to finance airport capital projects, and the debt limit is established by the revenue bond resolutions. The RTAA's bond resolutions establish various bond funds. The flow of revenues and expenses through these funds, and the maintenance of the balances in the funds, can affect the rate setting process, and budget. The bond funds are described in the Trust Funds Summary section of the budget.

When the Authority finances capital projects by issuing long term debt, it will pay back the bonds within a period not to exceed the estimated useful life of the project. The Authority will not use long term debt for current operations. The Authority will maintain good communications with the bond rating agencies regarding its financial condition and will follow a policy of full disclosure in every financial report and offering prospectus. It will strive to maintain an "A" public rating on its long term debt from Fitch Ratings.

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**Impact of Mandated Increased Airport Security**

With the terrorist attacks on September 11, 2001 the creation of the Department of Homeland Security, and the Transportation Security Administration (TSA) have resulted in federally mandated increases in airport security that have affected the operation and budget of the RTAA. Operational impacts include:

- Participation in the TSA’s Explosives Detection Canine Team Program with the training of three handler, and canine pairs for RTIA. This program includes special vehicles, on-airport kennels, training devices, and all the expenses of three large canines.
- Hiring Security Aides to control vehicle parking on the front curb of the terminal building, and most recently to increase airfield patrols.

Staffing, equipping, and operating these programs, which did not exist in 2000, increased the RTAA’s O&M Budget. TSA grants are available for most of the Explosives Detection Canine Team Program. With no revenue sources available for the other security programs, airline landing fees, and rental rates have been increased to cover them. The RTAA will work to minimize the fiscal impact of these programs while remaining compliant with all the security directives.

**Budget Process**

The RTAA’s definition of a balanced budget is one in which revenues and other resources equal or exceed expenditures and other uses. A balanced budget is an integral part of maintaining the Authority’s financial position. Strategies employed to attain this balance include cost reductions, personnel and service efficiencies, developing and diversity non-airline revenues and increasing feed to match program expenditures.

The RTAA operating budget is a major factor in the level of airline landing fee and rental rates. Non-airline revenues also affect airline rates through the revenue sharing process contained in the airline agreement. Increasing non-airline revenues, such as new concession fees and the rents from the development of land and facilities, remains a budget goal for the RTAA staff.

Another component of airline rates is the debt service included in the airline landing fee and rental rates. Debt service determines when the RTAA’s budget is “balanced.” Operating Revenues less Operating Expenses, or Net Revenues, as mentioned earlier, must equal or exceed 125 percent of annual revenue bond debt service.

Refinancing some of the RTAA’s outstanding debt, to defer principal payments to the future, was begun late in the 2001-02 fiscal year and was completed in 2002-03. The reduced debt service amounts helped offset lower airline activity levels during the worst of the post September 11th air travel industry recovery. Another refinancing, the 1996A Revenue Bonds, was completed early in the 2005-06 fiscal year. This July 2005 refinancing only took advantage of lower interest rates, no

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principal changes were made. With the early retirement or defeasance of principal and interest in the amount of \$4.4 million of the outstanding 2003 refunding bonds in June 2010, the RTAA improved its coverage ratio and lowered rates and charges to the airlines. The RTAA's revenue bonds and associated debt service are discussed further in *Section 3 - Debt Summary*.

The President/CEO instructed the management staff to prepare departmental work plans to implement the Board of Trustees' goals as the basis for their budgets. Summaries of the Board goals, and department work plans are in *Section 3 – Expenditures*. The RTAA staff will continue to maintain an aging terminal building facility with increases to the overall operation and maintenance expense budget. Despite improvements in estimated passenger traffic forecasted in the FY 2010-11 Budget, the overall lower level of passenger traffic, as compared to prior year's activity, continues to focus RTAA staff efforts on mostly mission critical functions and to maintain a conservative approach to spending. All RTAA departments continue to look for ways to reduce or maintain the amount of the operating budget without sacrificing safety, security, or customer service.

Personnel, Property, Plant, and Equipment, and Capital Projects are proposed and reviewed. The requests are forwarded to Human Resources, Purchasing, and Engineering respectively for pricing. Meetings are then held with each department to review their operating budgets, requests for personnel, and capital budget items. The departmental work plans are the basis for the budget requests.

The Finance Department then incorporates the budget requests into the rate setting formula to determine the landing fee and terminal rental rate. The Finance Department also prepares the revenue budget. Budget workshops are held during public Board of Trustees meetings to review the budget and receive direction from the Board. As required by the airline agreement, the staff also meets with the airlines to review the budget's landing fee, rental rate, and capital projects. The airlines must submit their ballots denying any of the proposed capital projects within 30 days of this meeting.

Section 3 is the financial details for the RTAA budget for the fiscal year beginning July 1, 2010. This section contains the following schedules:

- Detailed airline landing fee and rental rate calculations.
- An allocation of the non-airline revenues to the cost centers.
- A revenue sharing schedule showing the allocation of revenues, operating expenditures and debt service by cost center resulting in net revenues that will be shared with the signatory airlines.

More detailed revenue schedules and narratives follow this section.

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Section 3 – Financial Plan**

The O&M expenditure budgets are also included in this section summarized by the major departments:

- Board of Trustees
- President/CEO
- Executive Vice-President/COO
- Finance and Administration
- Operations and Public Safety
- Planning and Engineering
- Facilities and Maintenance
- Non-Departmental

The RTAA budgets into the following six departmental expenditure categories:

1. Personnel Services - salaries, wages, and benefits of RTAA employees.
2. Utilities and Communications - airport system telephone, electricity, water, natural gas, and sewer expenditures.
3. Purchased Services - professional consultants, equipment rental, and other non-professional services needed to augment the RTAA staff.
4. Materials and Supplies - operating and office supplies used by the RTAA staff.
5. Administrative Expense - Board and employee travel, training, air service development, and the largest component, insurance for the operation and property of the RTAA.
6. Property, Plant, and Equipment - equipment, vehicles, and other fixed assets needed to operate and maintain the airport system. The detail for this expenditure category is shown in the Property, Plant, and Equipment section of the Capital Budget.

Included within the major departments are the detailed budgets for the sections that make up the RTAA. The general ledger account numbers are also shown on the expenditure detail budget pages so that departments' staff members may use the budget document to code their expenditures to the proper budget account.

The Non-Departmental section budget includes expenses not assigned to an individual section. The Non-Departmental expenses include the RTAA's property and liability insurance expense, debt interest expense, depreciation, and amortization.

Section 3 also includes details of the Capital Projects, Trust Funds Summary, and Debt Summary.

**Reno Tahoe Airport Authority  
Revenue Sharing  
Budget Year 2010-11**

**Cost Centers**

	<u>Airfield</u>	<u>Terminal</u>	<u>Baggage Sys</u>	<u>Ground Trans</u>	<u>Other</u>	<u>Reno Stead</u>	<u>Total</u>
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Airline Revenue (Before Revenue Sharing)	6,741,670	8,397,194	-	-	-	-	\$ 15,138,864
Non Airline Revenue	1,132,900	6,916,170	2,726,612	15,114,800	5,713,900	676,500	32,280,882
<b>Total Revenue</b>	<b>7,874,570</b>	<b>15,313,364</b>	<b>2,726,612</b>	<b>15,114,800</b>	<b>5,713,900</b>	<b>676,500</b>	<b>47,419,746</b>
O&M Expense	\$ 7,287,197	\$ 15,794,615	\$ 2,718,380	\$ 4,868,854	\$ 3,822,363	\$ 1,202,317	\$ 35,693,726
Debt Service	-	-	-	3,482,515	3,323,670	87,465	6,893,650
Pre Bond Loan	133,816	119,047	-	56,675	87,061	22,290	418,889
O&M Reserve	22,067	47,828	8,232	14,743	12,673	3,641	109,183
Fixed Asset	165,882	80,408	-	40,333	81,484	143,773	511,880
Capital Project	283,000	488,500	-	45,500	547,000	235,000	1,599,000
Amort of Capital Items	137,000	-	-	180,000	-	-	317,000
Special Fund	-	792,435	-	-	-	-	792,435
LOI Transfer	-	-	-	-	-	-	-
<b>Total Requirement</b>	<b>\$ 8,028,961</b>	<b>\$ 17,322,833</b>	<b>\$ 2,726,612</b>	<b>\$ 8,688,621</b>	<b>\$ 7,874,251</b>	<b>\$ 1,694,485</b>	<b>\$ 46,335,763</b>

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Net Revenues	\$ (154,391)	\$ (2,009,469)	\$ -	\$ 6,426,179	\$ (2,160,351)	\$ (1,017,985)	\$ 1,083,982
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Airport Share	50.00%						\$ 541,991
Airline Share	50.00%						\$ 541,991

**RENO - TAHOE AIRPORT AUTHORITY**  
**2010-11**  
**ANNUAL BUDGET**  
**Summary of Sources and Uses of Funds**

	Actual 2008-09	Budget 2009-10	Budget 2010-11
<b>SOURCES OF FUNDS</b>			
<b>Revenue Fund</b>			
Landing and Aircraft Fees	\$ 8,020,653	\$ 10,533,173	\$ 6,857,414
Gaming Concession Fees	2,704,746	2,369,000	2,264,100
Food and Beverage Revenue	860,116	800,000	832,800
Merchandise Revenue	1,170,581	1,087,900	1,124,300
Auto Rental Concession Fees	7,874,339	8,547,500	5,788,400
Other Concession Fees	1,657,537	1,459,433	1,632,000
Auto Parking and Ground Transportation	9,102,015	8,300,900	9,326,400
Terminal Rents	6,307,997	5,216,617	6,984,700
Other Rents	5,864,299	5,852,600	6,295,600
Reimbursed Services & Miscellaneous	1,036,699	2,687,400	3,659,582
Non-Operating Pledged Revenue	1,674,253	476,400	371,600
<b>Total Revenue Fund</b>	<b>\$ 46,273,235</b>	<b>\$ 47,330,923</b>	<b>\$ 45,136,896</b>
<b>Non Rate Base Revenue</b>			
Fuel Tax Revenue	313,205	400,000	327,100
Prebond Fund Interest	4,803	5,600	4,600
Consent Decree Interest	98,154	24,300	17,000
Flood Grant Interest	91,306	19,900	19,900
Acquisition Fund Interest	6,572	2,400	2,000
Flood Proceeds Interest	309,380	138,700	66,200
Fuel Tax Interest	6,066	5,100	3,900
PFC Interest	500,588	184,500	28,400
PFC Revenue	7,188,068	6,779,100	6,955,500
Other Revenue	-	1,100	-
<b>Total Non Rate Base Revenue</b>	<b>8,518,142</b>	<b>7,560,700</b>	<b>7,424,600</b>
<b>TOTAL SOURCES OF FUNDS</b>	<b>\$ 54,791,377</b>	<b>\$ 54,891,623</b>	<b>\$ 52,561,496</b>
<b>USES OF FUNDS</b>			
<b>Operation and Maintenance Fund</b>			
Personnel Services	\$ 21,845,404	\$ 21,426,639	\$ 22,630,580
Utilities	2,978,878	4,400,026	4,526,750
Purchased Services	2,573,997	3,994,735	4,856,056
Materials and Supplies	1,419,331	1,727,296	1,799,844
Administrative Expenses	1,915,935	1,689,062	1,880,496
<b>Total Operation and Maintenance Fund</b>	<b>\$ 30,733,545</b>	<b>\$ 33,237,758</b>	<b>\$ 35,693,726</b>
<b>Bond Fund</b>			
Interest Account	2,588,625	2,188,725	1,543,650
Principal Account	8,180,000	9,080,000	5,350,000
<b>Total Bond Fund</b>	<b>\$ 10,768,625</b>	<b>\$ 11,268,725</b>	<b>\$ 6,893,650</b>
<b>Operation and Maintenance Reserve Fund</b>			
To maintain reserve level at 2 months of the annual budget of operation and maintenance expenses of the airport system	\$ 206,911	\$ -	\$ 109,183
<b>Short Term Financing</b>			
Prebond Loan	\$ 704,291	\$ 627,412	\$ 418,889
<b>Property, Plant &amp; Equipment</b>			
<b>Capital Projects</b>			
Current Year	168,626	834,350	1,599,000
Prior year project reimbursement	1,285,174	1,379,668	317,000
<b>Total Capital Projects</b>	<b>\$ 1,453,800</b>	<b>\$ 2,214,018</b>	<b>\$ 1,916,000</b>
<b>Special Fund</b>			
35 % of projected gaming revenue to Special Fund	\$ 946,661	\$ 829,150	\$ 792,435
<b>General Purpose Fund</b>			
Current Year Revenue Sharing Total	3,033,474	19,207	1,083,982
Prior Year Revenue Sharing Airline Share	(1,892,768)	(608,403)	(2,282,850)
Rate Base Excluded Revenue	885,740	356,873	-
LOI Transfer	(644,911)	(650,117)	-
<b>Total General Purpose Fund</b>	<b>\$ 1,381,535</b>	<b>\$ (882,440)</b>	<b>\$ (1,198,868)</b>
Fuel Tax	319,271	405,100	331,000
Prebond Fund	4,803	5,600	4,600
Consent Decree Fund	98,154	24,300	17,000
Flood Grant Fund	91,306	19,900	19,900
Acquisition Fund	6,572	2,400	2,000
Flood Proceeds	309,380	138,700	66,200
PFC Fund	7,688,656	6,963,600	6,983,900
Other Revenue	-	1,100	-
<b>Total Uses of Funds</b>	<b>\$ 54,791,377</b>	<b>\$ 54,891,623</b>	<b>\$ 52,561,496</b>

**Reno-Tahoe Airport Authority**  
**2010-11**  
**ANNUAL BUDGET**  
**Section 3 – Revenues**

The Total Operating Revenue budget for 2010-11 is \$44,765,296. This is a 4.5% decrease from the FY 2009-10 Budget. Budgeted airline revenues are \$12,856,014 or 29% of total operating revenues. The total non-airline operating revenue budget is \$31,909,282 or 71% of the total operating revenue budget. A pie chart later in this section shows the relative size of general categories of airport operating revenue.

The RTAA's revenues are fairly predictable since they are based on long term agreements with airlines and non-airline tenants. Terms such as "rate base" and "non-rate base" mentioned in this document refer to the application and adherence to the agreement with the airlines. The RTAA receives no local property or sales tax revenue, and is not affected by the variations or limitations in those revenues that other local governmental agencies are facing. The RTAA budget is balanced each year through the airline rate setting and the revenue sharing mechanism of the airline agreement. The diversification of revenues, mentioned in this section, provides the revenue sharing that assists in balancing the budget and has allowed RTAA's airline rates to be competitive.

Late in fiscal year 2002-03, passenger numbers began to recover from the events of September 11, 2001, and this trend continued through the first two quarters of fiscal year 2007-08, ending the year with 2.43 million enplanements. With the slowdown in the economy, the airline traffic has decreased significantly, ending the 2009-10 fiscal year with 1.89 million enplanements. For fiscal year 2010-11 the Authority is forecasting a 2.4% increase in enplanements as compared to fiscal year 2009-10 projected amount and a 10.1% increase as compared to the FY 2009-10 Budget. Airlines have reduced their aircraft capacity nationwide in order to regain profitability through fewer empty airline seats and lower operating costs. We now see an increase in flights, resulting in higher passenger numbers. This impacts the RTAA with increasing passenger traffic, which affects the RTIA concession revenues and the overall revenue sharing with the airlines, and increasing airline landed weights, which affect the landing fee calculation.

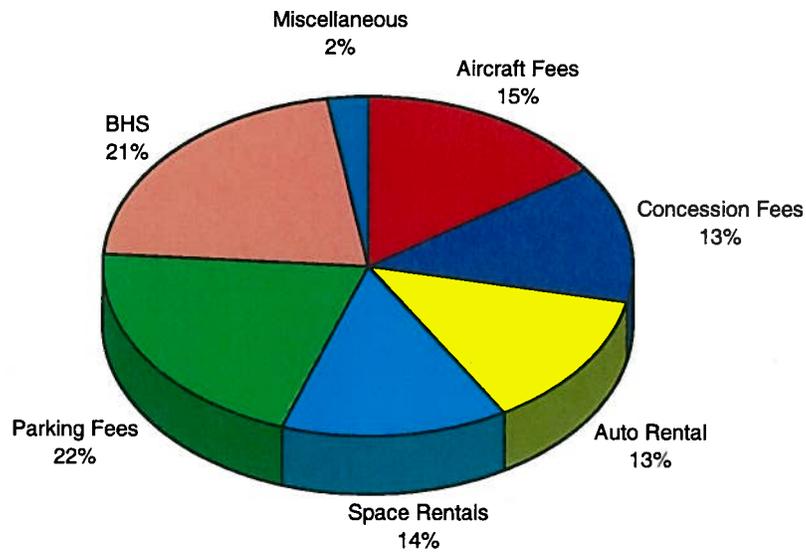
An estimated passenger enplanement amount of 1.93 million passengers for the fiscal year was used as the basis for the FY 2010-11 revenue projections. The historical revenue per enplaned passenger for each revenue area is applied to the estimate of passenger enplanements as well as evaluating changes in concession agreements, or construction schedules that might affect revenues to help estimate fiscal year revenue budgets.

Non-airline operating revenues, excluding the cost recovery associated with the new Baggage Handling System of \$2,595,012, are forecasted to be \$29,314,270 in the FY 2010-11 Budget. This represents an expected decrease of \$724,063 or approximately 2.4% from the FY 2009-10 Budget. This decrease is due primarily to the impact on concession revenues of the car rental contract renegotiations.

A detailed discussion of the component categories of revenue follows in this section.

**Reno-Tahoe Airport Authority**  
**2010-11**  
**ANNUAL BUDGET**  
 Operating Revenues

**2010-11**  
**Operating Revenues**

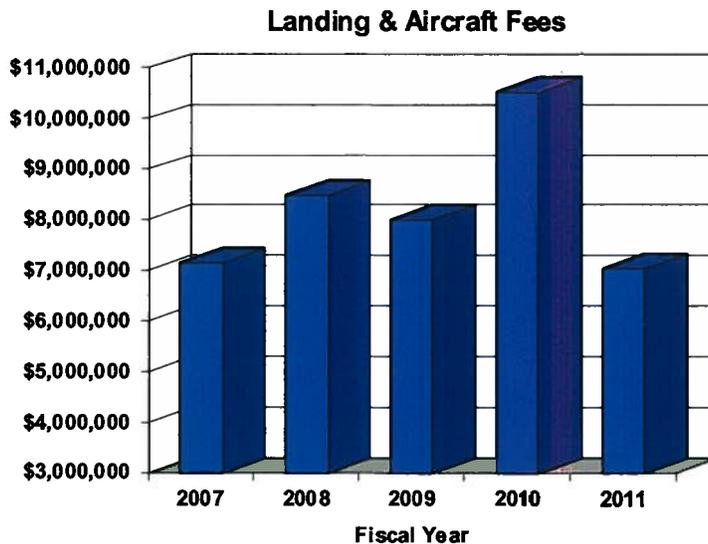


<b>REVENUES</b>	
Aircraft Fees	\$ 6,857,414
Concession Fees	5,853,200
Auto Rental	5,788,400
Space Rentals	6,295,600
Parking Fees	9,326,400
BHS	9,579,712
Miscellaneous	1,064,570
<b>Total</b>	<b>\$ 44,765,296</b>

**Reno-Tahoe Airport Authority  
2010-11  
ANNUAL BUDGET  
Section 3 – Revenues**

There are seven major sources of revenue received by the RTAA: landing and aircraft fees, concession revenue, auto parking and ground transportation revenue, space rentals, reimbursed services, non-operating revenues and non-rate base revenues. Overall, the RTAA is projecting a 3.3% decrease in operating revenues for FY 2010-11 as compared to the FY 2009-10 Budget. Basic assumptions that go into the budget process for revenues are the CPI (Consumer Price Index), the projected change in passenger and aircraft traffic, and economic indicators for the area. The charts presented in this section depict actual revenues for the fiscal years 2006-07 through 2008-09 followed by budgeted revenues for fiscal years 2009-10 and 2010-11.

**LANDING AND AIRCRAFT FEES**



The Authority currently recovers almost 100% of its airfield costs through the landing and aircraft fees. Landing and aircraft fees in the FY 2010-11 Budget are anticipated to decrease 35 percent as compared to the FY 2009-10 Budget due primarily to lower debt service resulting from the retirement and defeasance of \$3.5 million allocated to the Airfield Cost Center. The RTAA has executed a new five-year agreement with the airlines effective July 1, 2010.

The agreement is an airfield residual agreement with landing fees calculated based on the airfield cost center expenditures. See Section 3 – Financial Plan for a more detailed description of the Airline Agreement. The 2009-10 landing fee rate was budgeted at \$3.52, while the 2010-11 landing fee rate will be \$2.01. The \$2.01 rate will be charged to all signatory airlines. The non-signatory airline rate was budgeted at \$3.87 for FY 2009-10, while the FY 2010-11 non-signatory landing fee rate will also be \$2.01. In the new airline agreement, there will be no premium charged for landing fees assessed to non-signatory airlines as compared to signatory airlines.

**Reno-Tahoe Airport Authority**  
**2010-11**  
**ANNUAL BUDGET**  
**Section 3 – Revenues**

Landing fees are charged to passenger and cargo carriers for each aircraft landing based on the aircraft's Maximum Gross Landed Weight. The Landing Fee Rate is calculated by dividing (i) the total cost of the Airfield as a whole (Operation and Maintenance Expenses, Debt Service Requirements attributable to the Airfield, amortization charges and other funding requirements of Bond Ordinance) less airfield non-airline revenues by (ii) the total landed weight of aircraft arrivals.

The following is the detailed landing fee calculations:

**CALCULATION OF FY 2010-11 LANDING FEE RATE**

		2008-2009 Actual	2009-2010 Budget	2010-2011 Budget	Variance
O&M Expenses		\$ 5,994,322	\$ 6,171,431	\$ 7,287,197	\$ 1,115,766
Debt Service		\$ 2,559,055	\$ 3,499,300	\$ -	(3,499,300)
Coverage		\$ 639,764	\$ 874,825	\$ -	(874,825)
Pre Bond Loan		\$ 216,602	\$ 202,364	\$ 133,816	(68,548)
O&M Reserve		\$ 40,285	\$ -	\$ 22,067	22,067
Fixed Assets		\$ (8,233)	\$ -	\$ 165,882	165,882
Capital Projects		\$ 135,860	\$ 216,150	\$ 283,000	66,850
Amortization of Capital Items		\$ 275,857	\$ 235,497	\$ -	(235,497)
LOI Transfer		\$ (644,911)	\$ (650,117)	\$ -	650,117
<b>Total Requirement</b>		<b>\$ 9,208,601</b>	<b>\$ 10,549,450</b>	<b>\$ 7,891,961</b>	<b>\$ (2,657,489)</b>
<b>Total Landed Weight (000s)</b>		<b>3,097,929</b>	<b>2,728,942</b>	<b>2,921,052</b>	<b>192,110</b>
<b>Non-Signatory Rate</b>	<b>A</b>	<b>\$ 2.97</b>	<b>\$ 3.87</b>	<b>\$ 2.70</b>	<b>\$ (1.17)</b>
<b>Signatory Landed Weight (000s)</b>	<b>B</b>	<b>3,028,117</b>	<b>2,644,087</b>	<b>2,889,528</b>	<b>245,441</b>
<b>Signatory Revenue Prior to Revenue Sharing</b>	<b>A * B</b>	<b>\$ 8,993,507</b>	<b>\$ 10,232,618</b>	<b>\$ 7,801,726</b>	<b>\$ (2,430,892)</b>
<b>Less: Non-Airline Airfield Revenue</b>		<b>(194,672)</b>	<b>(328,386)</b>	<b>(1,132,900)</b>	<b>(804,514)</b>
<b>Less: Revenue Sharing (a)</b>		<b>(1,892,768)</b>	<b>(608,403)</b>	<b>(870,356)</b>	<b>(261,953)</b>
	<b>C</b>	<b>6,906,067</b>	<b>9,295,829</b>	<b>5,798,470</b>	<b>(3,497,359)</b>
<b>Signatory Landed Fee Rate</b>	<b>C / B</b>	<b>\$ 2.28</b>	<b>\$ 3.52</b>	<b>\$ 2.01</b>	<b>\$ (1.51)</b>

(a) The revenue sharing in FY 2010-11 is a carry over from the last year of the previous airline use and lease agreement. In future years, the revenue credit will be applied against the terminal rental rate.

The following are significant factors impacting the requirements in the Airfield Cost Center and the calculation of the landing fee in the FY 2010-2011 Budget:

- The operation and maintenance costs allocated to the Airfield Cost Center are increasing 18.1 percent over the prior year budget. This is due mainly to higher personnel and purchased service required to operate and maintain the airfield along with changes in percentages of costs allocated to the airfield based on the new airline agreement.

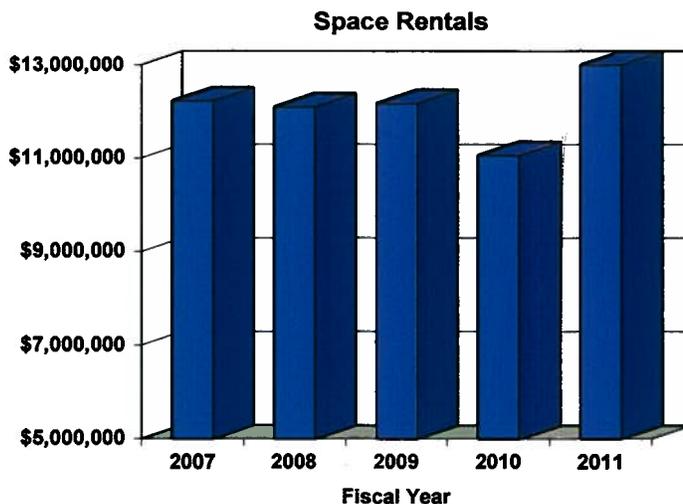
**Reno-Tahoe Airport Authority**  
**2010-11**  
**ANNUAL BUDGET**  
**Section 3 – Revenues**

- Debt service allocated to the Airfield Cost Center is decreasing from \$3,499,300 in FY 2009-2010 to zero in FY 2010-2011, due to the FY 2010 debt defeasance.
- The FY 2010-11 Budget revenue share credit of \$870,356 is higher than the FY 2009-10 budgeted revenue share credit of \$608,403 used in the signatory landing fee calculation. This contributes to the decrease in the 2010-11 signatory landing fee rate.
- The 2010-11 signatory landing fee rate is \$2.01. This is a \$1.51 decrease from the budgeted 2009-10 signatory landing fee rate of \$3.52. Under the newly negotiated contract with the airlines, the airlines benefit from significantly lower debt service and higher landed weight due to additional announced air service.

It would be an administrative burden to charge a landing fee to all the small private aircraft (general aviation) using the airports. Revenues are collected from the general aviation aircraft in the form of fuel flowage fees. This ensures that general aviation pays a share of the expenses of maintaining and developing the airfield area. These amounts appear in the aircraft fees' section of the revenue budget and are two percent lower as compared to the FY 2009-10 Budget.

The fuel farm rental amounts are also in this section of the budget. The fuel farm rental rates are based on the debt service to construct the facilities. The Landing Fees shown for the Reno-Stead Airport are for the fire fighting aircraft based there.

**SPACE RENTALS**



**Reno-Tahoe Airport Authority**  
**2010-11**  
**ANNUAL BUDGET**  
**Section 3 – Revenues**

Space Rentals for FY 2010-11 are budget to reach \$13.28 million, a \$2.21 million or 20 percent increase as compared to the prior year budget. The revenue source is comprised of airline terminal rents, gate use charges, other non-airline terminal rents, RTIA building and land rents, and Reno-Stead rents.

Airline terminal rentals currently reflect cost recovery of terminal costs allocated to airline occupied facilities (commercial compensatory basis) with total facility costs divided by rentable terminal square footage. The airlines “pay only for what they use” and the Authority is at financial risk if vacant facilities exist. Approximately 53% or \$7.0 million of total Space Rents are derived from the airlines.

The Terminal Rental Rate is calculated by dividing (i) the total cost of the Terminal as a whole (Operation and Maintenance Expenses, Debt Service Requirements attributable to the Airfield, amortization charges and other funding requirements of Bond Ordinance) less airline reimbursement for disposal fees and less the Revenue Sharing Credit by (ii) rentable square footage. Rentable Terminal Space is the total area of the terminal building available for lease and dedicated to the sole use of the airlines, rental car companies, concessions, aviation service providers, various government agencies, and the Authority for purposes of generating revenue and supporting operations.

The Revenue Sharing Credit is calculated as 50% of the Gross Revenues less Operation and Maintenance Expenses, Debt Service Requirements, Bond Ordinance Reserve Requirements, and Repayment of Loans to the Capital Account. The Revenue Sharing Credit is applied to reduce Signatory Airlines landing fees in the current Fiscal Year, and the remaining 50% of the Airport System net revenues is transferred to the Authority’s General Purpose Fund; however, 35% of gaming revenues in each Fiscal Year is retained by the Authority and not available as part of the reduction to Terminal Rental Rate for the current fiscal year.

Under the previous airline agreement, the denominator used to calculate the rate included public space such as walkways, restrooms, security screening areas, and other usable terminal space. This more expansive definition of terminal space results in a lower terminal rental rate and generated a lower recovery of terminal building costs than the “rentable” space used in the new agreement.

For the FY 2010-11 Budget, the average budgeted rental rate is \$54.56 per square foot per annum. In comparison, the FY 2009-10 average budgeted rental rate was \$49.83, an increase of 9.5%.

An average terminal building rental rate is set pursuant to the airline agreement, based on the requirements of the Terminal Building Cost Center. The following is the detailed terminal rental rate calculation:

**Reno-Tahoe Airport Authority**  
**2010-11**  
**ANNUAL BUDGET**  
**Section 3 – Revenues**

**CALCULATION OF FY 2010-11 TERMINAL RENTAL RATE**

		2008-2009 Actual	2009-2010 Budget	2010-2011 Budget	Variance
O&M Expenses		\$ 16,049,026	\$ 16,120,709	\$ 15,794,615	\$ (326,094)
Debt Service		2,625,026	874,825	-	(874,825)
Coverage		656,257	218,706	-	(218,706)
Pre Bond Loan		197,989	157,012	119,047	(37,965)
O&M Reserve		109,389	-	47,828	47,828
Fixed Assets		8,937	32,307	80,408	48,101
Capital Projects		(157,127)	40,000	488,500	448,500
Amortization of Capital Items		564,450	617,394	-	(617,394)
Special Fund		946,661	829,150	-	(829,150)
Airline Reimbursements (Disposal Fee)		(198,450)	(174,000)	(388,300)	(214,300)
Total Requirement	A	\$ 20,802,158	\$ 18,716,103	\$ 16,142,098	\$ (2,574,005)
Square Footage	B	375,581	375,581	244,472	(131,109)
Terminal Rental Rate	A/B= C	\$ 55.39	\$ 49.83	\$ 66.03	\$ 16.20
Signatory Airline Terminal Leased Space	D	110,514	100,411	123,124	22,713
Signatory Airline Share of Net Requirement	C*D = E	\$ 6,120,996	\$ 5,003,721	\$ 8,129,682	3,125,961
Less: Revenue Sharing Credit	F	-	-	(1,412,400)	(1,412,400)
Adjusted Signatory Airline Net Requirement	E+F= G	6,120,996	5,003,721	6,717,282	1,713,561
Signatory Airline Terminal Leased Space	H	110,514	100,411	123,124	22,713
Signatory Airline Average Rental Rate (Net)	G/H	\$ 55.39	\$ 49.83	\$ 54.56	\$ 4.72

The following are significant factors impacting the requirements in the Terminal Building Cost Center and the calculation of the terminal rental rate in the FY 2010-2011 Budget:

- The increase in the rental rate in the FY 2010-11 Budget is solely due to the change in denominator from usable terminal space of 375,581 to rentable square footage of 227,758 in the rental rate calculation as stipulated in the new airline agreement. The narrower definition of terminal space results in a higher terminal rental rate and generates a larger recovery of terminal building costs than the “useable” space used in the previous agreement.

## **Reno-Tahoe Airport Authority**

**2010-11**

### **ANNUAL BUDGET**

#### **Section 3 – Revenues**

- The operation and maintenance budget allocated to the Terminal Building is decreasing 2 percent from the FY 2009-10 Budget. This is primarily due to the decrease of personnel and purchased service cost being allocated to the Terminal Building cost center.
- The debt service has been eliminated from the Fiscal Year 2010-11 budget due to debt defeasance that led to a decrease of \$874,825 in annual expenses allocated to the Terminal Building Cost Center.

In addition, RTIA derives space rents from the airlines on a per use basis and rents both terminal and non-terminal space to tenants other than the airlines. The Authority also collects rents at Reno Stead from aviation related tenants at the airports. These rental rates are set based on market or appraised values. Many of these rental agreements specify annual rate increases based on the consumer price index or periodic reappraisals.

The Reno-Tahoe non-terminal building rents are forecasted to increase by \$281,800 to \$5.07 million, an increase of 5.9 percent over the FY2009-10 Budget. The increase is primarily a result of hangar rental income from the general aviation facilities as the RTAA takes over the buildings previously under the control of the fixed base operators- Jet West and Sierra Air Center. Authority staff has been actively involved in marketing and developing both aviation and commercial development of the property during the past year. While land development activity has reflected the slow economy, several new projects are working towards completion and will be positive contributors going forward.

#### **BAGGAGE HANDLING SYSTEM**

The new Baggage Handling System (BHS) Charge reflects 100% cost recovery of the operating maintenance agreement, utilities, supplies, and other direct costs of operating the new integrated explosive detection equipment system. Based on projected operations for FY 2010-11, this revenue is estimated to be \$2,595,012. This represents the Authority changing \$1.54 per processed bag assuming that the 1.932 million enplaned passengers carry 0.87 bags on average.

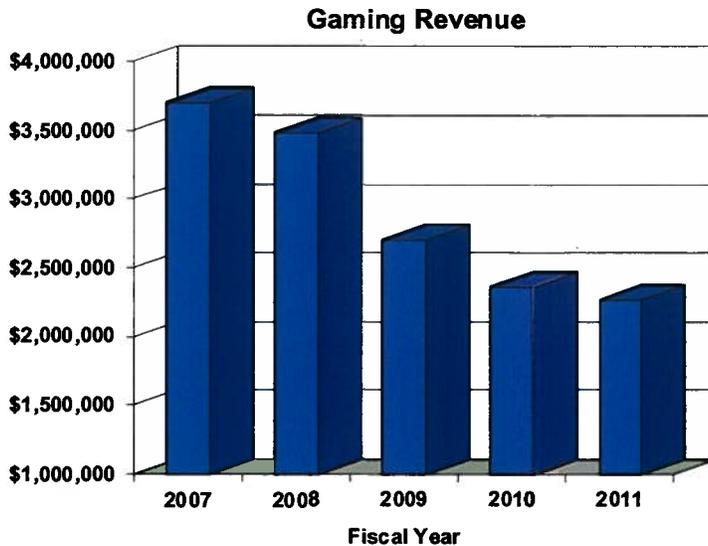
- The Baggage Handling System (BHS) costs of \$2,718,380 are included in the FY 2010-11 Budget. This represents approximately 31 percent increase from the FY 2009-10 Budget due to the system being operational the full year as opposed to nine months of operating costs in the previous fiscal year.
- The new incremental costs also include reduction due to an estimated \$131,600 from reimbursement by the Transportation Security Administration (TSA) for direct costs associated with their screening equipment. This reimbursement is credited against the Baggage Handling System recovery assessed to the airlines.

**Reno-Tahoe Airport Authority  
2010-11  
ANNUAL BUDGET  
Section 3 – Revenues**

**CONCESSION REVENUE**

Concession revenues are predicted to decrease 18.4 percent for fiscal year 2011 to \$11.64 million compared to the budget for fiscal year 2010 of \$14.26 million. Concession revenue consists of the following: food and beverage, merchandise, gaming, rental cars, advertising, aircraft ground service providers and fixed base operators. This decrease is primarily due to the lower minimum annual guarantee (MAG) derived from the bidding of the rental car concession agreement of \$2.8 million. The current agreement expired on June 30, 2010. Under the previous agreement, the MAG bids were based on passenger traffic assumptions that did not anticipate the impact of the recent economic slowdown. See Section 1 Introduction and Summary for an expanded discussion of the history and traffic assumptions used in the FY 2010-11 Budget.

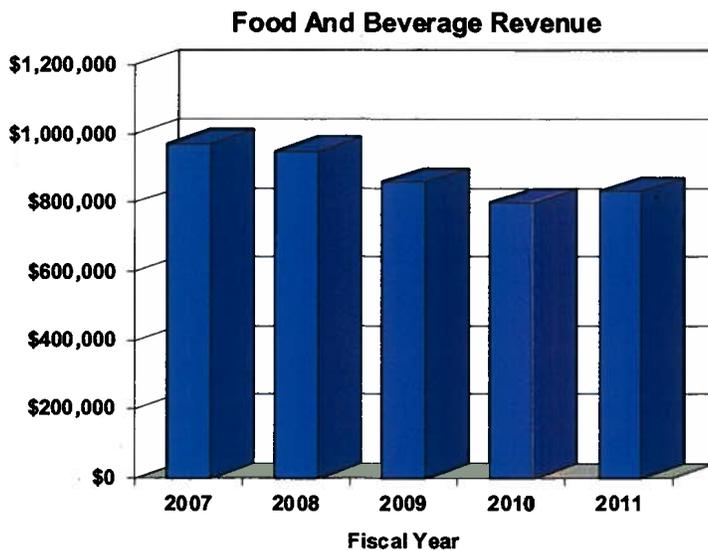
There are also smaller concessions such as telephones, luggage carts and newspaper vending machines that contribute a percentage of their gross revenues to the RTAA. The concession agreements are usually based on the greater of a minimum annual guarantee (MAG) or percentage of gross revenues being paid to the RTAA.



Gaming revenue is a unique source of revenue for Nevada airports. International Game Technology (IGT) operates the gaming concession and their agreement has been renewed on December 1, 2008. Under the old agreement, the concession fee was 57 percent of Net Win the first year, 57.5 percent the second year and 58 percent the third year or a minimum annual guarantee of 2,400,000, whichever is greater. The new agreement with IGT is in effect until November 30, 2011. The contract states that IGT must pay the RTAA a concession fee of 53 percent of Net Win up to \$350,000 and 75 percent for Net Win over \$350,000. The fiscal 2010-11 budget is 4 percent less than the prior year budget. Despite higher traffic projected in the FY

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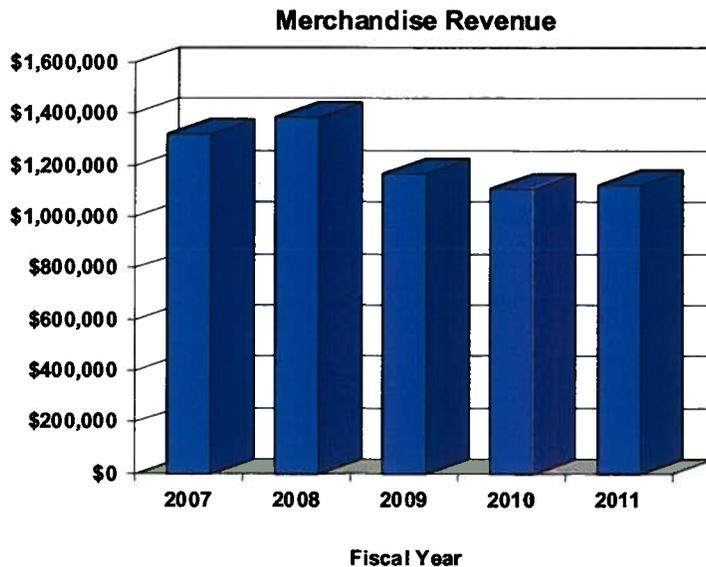
2010-11 Budget, revenue per passenger is lower due to passengers being less willing to spend their discretionary income on non-essential entertainment during a period of economic slowdown. The graph depicts actual gaming concession revenues for 3 years and the budgeted amounts for 2009-10 and 2010-11.



Creative Host Services, Inc. (CHS) was awarded the food and beverage concessions effective October 2001. Formerly Creative Host Services, Inc. by assignment changed its name to SSP America, Inc. (SSP) effective June 19, 2008. The concession agreement calls for SSP to pay the RTAA a percentage of revenues ranging from 8 percent to 18 percent depending on product type, or a MAG which is 85 percent of previous year's payments but not less than \$800,000, whichever is greater.

With the projected increase in passenger traffic, revenues are budgeted to increase approximately 4 percent from prior year's budgeted revenues. The concessionaire offers branded foods, such as McDonald's in the lobby food court and Peet's specialty coffee in the main lobby, and local favorites such as The Brew Brothers restaurant and pub. In an effort to upgrade facilities and expand the products offered, especially the breakfast menu, to the travelling public, Max's Eatz & Coffee and La Brea Bakery were introduced in the current fiscal year. They also operate the bars, snack bars, and coffee shops on the concourses.

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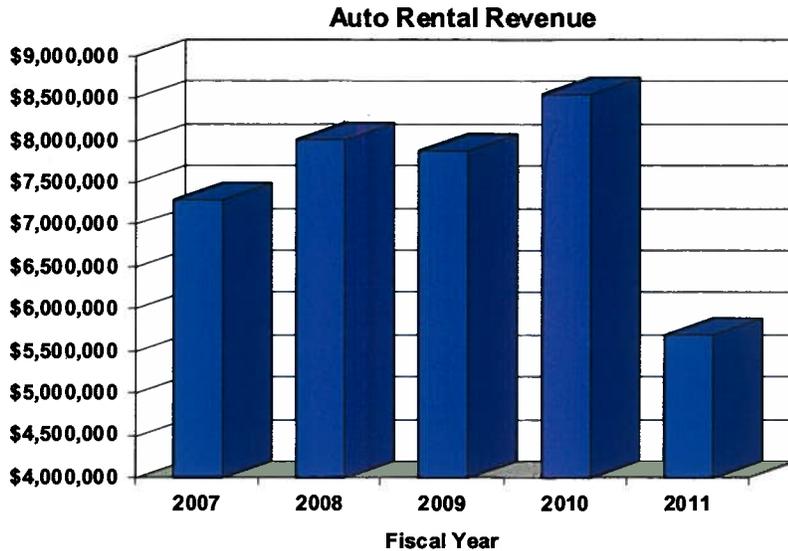


A 3 percent increase is projected compared to prior year budget in merchandising concessions. The concession agreement awarded to the Paradies Shops calls for payment to the RTAA of a percentage of revenues ranging from 12 percent to 23 percent depending on product type, or a MAG which is 85 percent of previous year's payments but not less than \$901,000, whichever is greater. Their stores include the Ponderosa Pines, which promotes the outdoor theme of the area, a PGA Golf Shop, Designs by Sue, offering value savings to its customers by having quality merchandise at prices under \$10, and news and gift shops located in the main lobby and on the B and C concourses.

In addition to Paradies Shops, Northwest Duty Free Shops have operated another merchandise alternative on the concourses for passengers since 1996. The store located on the concourse serviced by Southwest has been relocated to a better location past the TSA checkpoint.

Advertising revenues are budgeted to increase 19 percent from the 2009-10 budget amount. A three-year agreement was entered into with the Elizabeth Younger Agency that expires December 31, 2012. This increase is due the higher than budgeted current year forecasted revenues, and the increase in passenger levels expected for the 2010-11 fiscal year. With the addition of additional value and reduced pricing, the economic slowdown didn't impact advertising revenue as much as anticipated and this program is anticipated to respond to the forecasted increase in passenger traffic in FY 2010-11.

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All of the six auto rental concessionaires servicing the airport have a “check in” counter located on the airport. These companies are (1) The Hertz Corporation; (2) Avis Budget Car Rental, LLC doing business as Avis and Budget, (3) Vanguard Car Rental USA, LLC doing business as Alamo and National; (4) DTG Operations, Inc. doing business as Dollar and Thrifty; (5) Enterprise Leasing Company- West, LLC; and (6) Simply Wheelz, LLC doing business as Advantage.

All of these companies except Simply Wheelz (Advantage), also qualified, through their bid submissions, to lease available ready/return parking, a lane in the quick turnaround facility (“QTA”) and a service facility and associated ground located on airport property. The ready/return parking spaces (“Ready/Return Premises”) are located in the Parking Structure, across from the Terminal; the overflow or storage space (“QTA Lot Premises”) are assigned by square footage in the lot immediately north of the Parking Structure and a lane position in the Quick Turnaround Facility (“QTA Premises”) providing fueling and car wash service; and Service Facilities south of the Terminal, as further described herein under a separate Ground Lease.

Based on MAG bids, Simply Wheelz (Advantage) continues to be a limited service operator with a check-in counter on the airport; however, all other facilities are located “off airport” with their customer subject to taking a shuttle bus an off airport site for the rental and return of their vehicles.

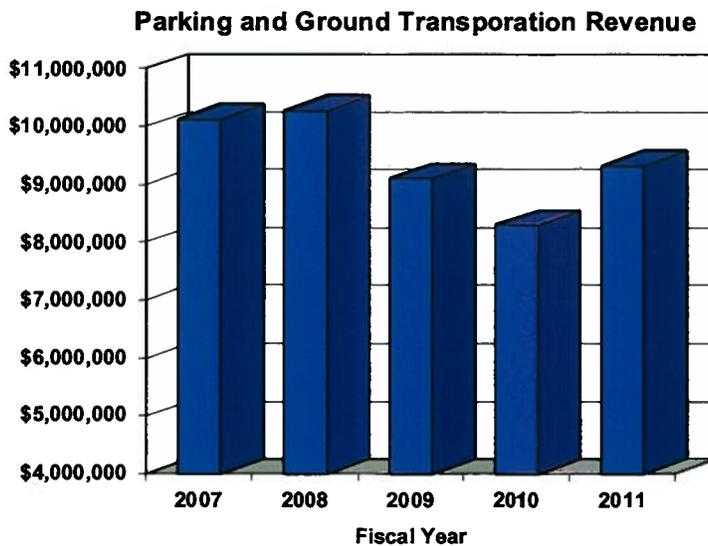
Revenues are budgeted at \$5,788,400 for 2010-11. This amount is based on the concessionaires’ current year performance as well as the Minimum Annual Guarantees (MAG) of the various

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rental car companies. This concession represents 18 percent of the Airport’s total budgeted non-airline operating revenues.

This budget amount is 32.3 percent, or \$2.8 million below the 2009-10 budget. This decrease reflects the high Minimum Annual Guarantee (MAG) in the current agreement as compared to passenger activity that will expire on June 30, 2010. Under the new agreement, starting July 1, 2010, the MAG will be reestablished at levels less than ten (10) percent of gross receipts at current traffic levels. The agreements have an abatement clause which waives the MAG if certain criteria are met.

The agreements do have an abatement clause which waives the minimum annual guarantee (MAG) if passenger deplanements fall below 75% of the deplanements for the corresponding month in the preceding year. The FY 2010-11 Budget does not forecast any MAG abatement due to the forecasted increase in passenger traffic. This will ensure that the MAG will be paid to the RTAA except in a situation of extreme passenger decline.



Total auto parking and ground transportation revenues are budgeted to increase 12.4 percent from the prior year budget and 4.8 percent from the 2009-10 projected revenues. This increase as compared is primarily due to the anticipated 10.1% increase in the number of passengers transiting the airport. Auto parking represents 28.5 percent of the Airport’s total budgeted non-airline operating revenues

Ground transportation fees are projected to be \$235,000 in FY 2010-11. These fees are paid by transportation operators such as limousines, shuttle buses, and taxicabs. It is projected this revenue budget will increase 43.5 percent as compared to the prior year’s budget.

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**REIMBURSED SERVICES**

Reimbursed services of \$3.64 million are budgeted in FY 2010-11 to increase 35.6 percent from the FY 2009-10 Budget. This increase is primarily due to the reimbursement forecasted from the airlines and the Transportation Security Administration (TSA) related to the Baggage Handling System costs, now for a full year, compared to nine months of operation budgeted in FY 2009-10. Reimbursed services also include payments from the TSA for use of RTAA police officers at the concourse checkpoints as well as for participation in the National Explosives Detection Canine Team Program. This category also includes waste disposal services, and other tenant reimbursement for utilities. The disposal services fees are based on prior year actual numbers while the utilities are billed at actual costs.

**NON-OPERATING REVENUE**

Non-operating revenue of \$702,600 in the FY 2010-11 Budget consists primarily of interest earnings on the surplus and reserve funds the RTAA has available for investment. A decrease of \$106,000 is predicted for investment earnings in the FY 2010-11 Budget as compared to the FY 2009-10 Budget.

While average earning balances are forecasted to be \$37.6 million, a decrease of approximately \$1.0 million as compared to the prior year, the largest driving force is the historically low earning rates. With the economic recession hitting in full force in late 2008 and early in 2009, the Federal Reserve has implemented extraordinary steps to lower rates and stimulate the economy. Overall, earning rates are forecasted to drop from 1.25% used in the FY 2009-10 Budget to 1.00% in the FY2010-11 Budget.

The RTAA's bond resolution, state laws, and the RTAA investment policy limit the types of investments permitted for use by the RTAA. The primary objectives, in priority order, of investment activities are safety, liquidity, and yield with most securities or deposits having federal government guarantees.

Non-Operating Revenue also includes Aviation Gas Tax revenues estimated to be \$327,000 in FY 2010-11. This revenue represents a \$0.01 per gallon fee collected the State of Nevada and remitted to RTAA through Washoe County on aviation jet fuel sold, distributed, or used in the county. The use of this revenue is restricted to funding transportation projects related to airports including ground transportation improvements and promoting the use of an airport located in a county, including, without limitation, increasing the number and availability of flights at the airport.

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**NON-RATE BASE REVENUE**

Non-rate base revenue of \$7.1 million is a separate classification of non-operating revenue that does not go into the calculation of the landing fees and rental rates per the airline operating agreement. Passenger Facility Charges (PFC's) are the main source of non-rate base revenues. This PFC program is a Federal program that is overseen by the Federal Aviation Administration and these funds currently cannot be spent on operation and maintenance expenses of the airport. PFC's are collected by airlines on their passengers' tickets and remitted monthly to the RTAA. These funds are spent on a list of projects reviewed by the airlines in a process prescribed by the Federal Aviation Administration. This money must be segregated from all other airport revenues.

Also included in this category is restricted investment interest earned on the revenue bond construction funds and PFC funds. The same investment restrictions apply and hence the same rate of return on investments is used for this calculation. These investment earnings must be returned to the construction or PFC fund pursuant to the bond resolution and the PFC rules. They cannot be used for the operation of the airports.

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Summary of Budgeted Revenues

	2008-09 Actual	2009-10 Budget	2010-11 Budget	Percent Change
<b>Landing Fees - Reno-Tahoe</b>				
Signatory Airlines-Scheduled Carriers	\$ 6,086,705	\$ 8,110,206	\$ 5,158,494	
Signatory Airlines - Freight Carriers	884,032	1,196,981	649,457	
Non Signatory Airlines - Scheduled Carriers	144,973	285,211	46,310	
Non Signatory Airlines - Charters	12,625	0	0	
Non-Signatory Airlines - Air Freight Carriers	37,074	43,175	17,053	
	7,165,409	9,635,573	5,871,314	-39%
<b>Aircraft Fees - Reno-Tahoe</b>				
Fuel Flowage	198,871	205,400	200,400	
Aircraft Parking	66,794	71,200	75,200	
Fuel Farm Use Fee and Ground Rent- RFFC	514,540	517,300	680,800	
Fuel Farm Use Fee - Jet West	60,779	71,200	-	
	840,984	865,100	956,400	11%
<b>Aircraft Fees - Reno-Stead</b>				
Fuel Flowage	11,214	14,400	16,600	
Landing Fees	3,046	18,100	13,100	
	14,260	32,500	29,700	-9%
<b>TOTAL Aircraft Fees</b>	\$ 8,020,653	\$ 10,533,173	\$ 6,857,414	-35%
<b>Concession Revenue</b>				
Gaming Revenue	\$ 2,704,746	\$ 2,369,000	\$ 2,264,100	-4%
Food and Beverage Revenue	860,116	800,000	832,800	4%
Merchandising Revenue				
Confection	111,889	111,900	111,900	
Duty Free Shop	83,467	75,000	85,000	
Newsstand and Gift Shop	975,225	901,000	927,400	
	1,170,581	1,087,900	1,124,300	3%
Other Concession Revenue				
FBO's and Ground Handling				
Fixed Base Operators - Reno-Tahoe	116,999	130,900	176,500	
Security Services	88,508	39,100	52,600	
Ground Handling/Support Services	244,295	217,600	208,300	
	449,802	387,600	437,400	13%
Stead Concession Revenue				
RARA Concession Revenue	23,039	39,000	43,600	
Fixed Base Operators - Reno-Stead	16,981	19,000	19,300	
Other Concession Revenue	343	-	300	
	40,363	58,000	63,200	9%
Advertising Revenue	958,563	780,000	928,500	19%
Miscellaneous Concession Revenue				
Other Concessions	57,261	70,500	37,900	
Luggage Carts	43,215	45,000	45,000	
ATM	108,333	118,333	120,000	
	208,809	233,833	202,900	-13%
<b>Total Other Concession Revenue</b>	1,657,537	1,459,433	1,632,000	12%

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Summary of Budgeted Revenues

	2008-09 Actual	2009-10 Budget	2010-11 Budget	Percent Change
Total Concession Revenue Excluding Auto Rental and Gaming	3,688,234	3,347,333	3,589,100	7%
On Airport Auto Rental	<u>7,874,339</u>	<u>8,547,500</u>	<u>5,788,400</u>	-32%
<b>TOTAL Concession Fees</b>	<b><u>\$ 14,267,319</u></b>	<b><u>\$ 14,263,833</u></b>	<b><u>\$ 11,641,600</u></b>	<b>-18%</b>
<b>Auto Parking and Ground Transportation</b>				
Auto Parking/Traffic Control				
Public Parking Lot	8,548,531	7,862,800	8,782,400	
Employee Parking	302,220	246,200	295,500	
Parking Fines	<u>9,012</u>	<u>28,100</u>	<u>13,500</u>	
	8,859,763	8,137,100	9,091,400	12%
Ground Transportation				
Taxi Loop	93,735	52,600	91,700	
Limousines	7,071	6,800	7,000	
Buses/Courtesy Shuttles	136,906	100,900	130,800	
Permit Fees	<u>4,540</u>	<u>3,500</u>	<u>5,500</u>	
	242,252	163,800	235,000	43%
<b>TOTAL Auto Parking and Ground Transportation</b>	<b><u>\$ 9,102,015</u></b>	<b><u>\$ 8,300,900</u></b>	<b><u>\$ 9,326,400</u></b>	<b>12%</b>
<b>Space Rentals</b>				
Terminal Rents, Signatory Airlines				
Ticket Counter	314,007	\$257,000	\$277,600	
Hold Room	1,775,194	1,323,400	1,431,700	
Back Office	628,948	509,600	430,200	
Bag Claim	1,213,299	1,097,600	1,279,300	
Bag Service Office	144,853	131,100	150,400	
Bag Makeup and Handling	880,722	726,900	2,144,100	
Operations Space	758,808	606,800	662,500	
Common Use Drives	345,280	312,400	310,700	
Outside Storage / Tug Drives	60,259	38,900	30,900	
Gate Use Charge/ Non-Signatory Use Fees	<u>186,627</u>	<u>212,917</u>	<u>267,300</u>	
	6,307,997	5,216,617	6,984,700	34%
Terminal Rents, Other				
Concessionaires	27,378	33,000	-	
Government Agencies	156,924	157,500	208,100	
Car Rental Counters & Offices	332,450	244,700	283,000	
Welcome Center	83,676	-	87,500	
Other Terminal Rents	<u>71,777</u>	<u>76,300</u>	<u>68,100</u>	
	672,205	511,500	646,700	26%
Reno/Tahoe Non-Terminal Rents				
Building Rental	1,963,144	2,194,100	1,777,700	
Hangar Rental	-	-	886,700	
Land Rental	2,469,274	2,586,300	2,400,800	
Sewer Use Fee	<u>83</u>	<u>3,100</u>	<u>100</u>	
	4,432,501	4,783,500	5,065,300	6%

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Summary of Budgeted Revenues

	2008-09 Actual	2009-10 Budget	2010-11 Budget	Percent Change
Reno Stead Rents				
Building Rental	74,435	76,100	86,400	
Hangar Rental	246,109	246,100	248,800	
Airfield Rental	57,475	60,300	55,500	
Land Rental	336,573	136,000	145,400	
Sewer Use Fee	8,055	8,700	8,800	
Wash Rack	93	200	100	
Mini Warehouse Rent	8,212	10,000	9,900	
Other Rental	28,641	20,200	28,700	
	759,593	557,600	583,600	5%
<b>TOTAL Space Rentals</b>	<b>\$ 12,172,296</b>	<b>\$ 11,069,217</b>	<b>\$ 13,280,300</b>	20%
Reimbursed Services				
Security Services	504,399	354,900	498,300	
Utilities	199,884	40,500	178,300	
Maintenance	23,523	42,400	24,200	
Disposal Fees	198,450	174,000	210,000	
Passenger Aides	26,400	-	-	
Other	4,843	-	6,070	
Baggage Equipment System	-	1,964,000	2,595,012	
BHS - TSA Reimbursement	-	111,600	131,600	
<b>TOTAL Reimbursed Services</b>	<b>\$ 957,499</b>	<b>\$ 2,687,400</b>	<b>\$ 3,643,482</b>	36%
Miscellaneous Revenue				
<b>TOTAL Miscellaneous</b>	<b>79,200</b>	<b>-</b>	<b>16,100</b>	
<b>TOTAL OPERATING REVENUE</b>	<b>\$ 44,598,982</b>	<b>\$ 46,854,523</b>	<b>\$ 44,765,296</b>	-4%
Non-Operating Revenue				
Investment Interest	1,114,194	465,100	365,600	
Investment Interest, CFC	12,066	11,300	6,000	
Investment Interest, Fuel Tax Fund	6,066	5,100	3,900	
Gain (Loss) on Sale of Fixed Assets	544,222	-	-	
Damage Claim Reimbursement	3,771	-	-	
Aviation Gas Tax	313,205	400,000	327,100	
<b>TOTAL Non-Operating Revenue</b>	<b>1,993,524</b>	<b>881,500</b>	<b>702,600</b>	-20%
<b>TOTAL Pledged Revenue</b>	<b>\$ 46,592,506</b>	<b>\$ 47,736,023</b>	<b>\$ 45,467,896</b>	-5%
Non-Rate Base Revenue				
Investment Interest, Pre-Bond	4,803	5,600	4,600	
Investment Interest, Other Restricted	-	1,100	3,900	
Investment Interest, Flood Grant	91,306	19,900	19,900	
Investment Interest, Acquisition Fund	6,572	2,400	2,000	
Investment Interest, Flood Proceeds	309,380	138,700	66,200	
Investment Interest, Consent Decree	98,154	-	17,000	
Investment Interest, PFC	500,588	184,500	28,400	
PFC Revenue	7,188,068	6,779,100	6,955,500	
<b>TOTAL Non-Rate Base Revenue</b>	<b>\$ 8,198,871</b>	<b>\$ 7,131,300</b>	<b>\$ 7,097,500</b>	0%
<b>TOTAL REVENUES</b>	<b>\$ 54,791,377</b>	<b>\$ 54,867,323</b>	<b>\$ 52,565,396</b>	-4%

Reno-Tahoe Airport Authority  
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 Non-Airline Revenue

	2008-09 Actual	2009-10 Budget	2009-10 Projected	FY 2010-11 Budget	% Change 2011 Budget to 10 Budget	% Change 2011 Budget to 10 Projected
Aircraft Fees - Reno	840,984	865,100	874,900	956,400	10.6%	9.3%
Aircraft Fees - Stead	14,260	32,500	29,300	29,700	-8.6%	1.4%
Gaming Concession	2,704,746	2,369,000	2,214,900	2,264,100	-4.4%	2.2%
Food & Beverage	860,116	800,000	800,000	832,800	4.1%	4.1%
Merchandising Revenue	1,170,581	1,087,900	1,097,900	1,124,300	3.3%	2.4%
Advertising	958,563	780,000	897,500	928,500	19.0%	3.5%
Other Concessions	658,611	621,433	603,050	640,300	3.0%	6.2%
Auto Rental	7,874,339	8,547,500	8,586,600	5,788,400	-32.3%	-32.6%
Auto Parking	8,859,763	8,137,100	8,677,200	9,091,400	11.7%	4.8%
Ground Transportation	242,252	163,800	223,600	235,000	43.5%	5.1%
Other Terminal Rents	672,205	511,500	532,500	646,700	26.4%	21.4%
Reno/Tahoe Non-Terminal Rents	4,432,501	4,783,500	4,371,200	5,065,300	5.9%	15.9%
Reno Stead Rents	799,956	615,600	635,500	646,800	5.1%	1.8%
Reimbursed Services	957,499	2,687,400	2,402,150	3,643,482	35.6%	51.7%
Miscellaneous	79,200	-	-	16,100	0.0%	0.0%
<b>Total Non Airline Revenue</b>	<b>31,125,576</b>	<b>32,002,333</b>	<b>31,946,300</b>	<b>31,909,282</b>	<b>-0.3%</b>	<b>-0.1%</b>
<b>Non Operating Revenue</b>	<b>1,993,524</b>	<b>881,500</b>	<b>884,800</b>	<b>702,600</b>	<b>-20.3%</b>	<b>-20.6%</b>
<b>Total Non-Airline Revenue</b>	<b>\$ 33,119,100</b>	<b>\$ 32,883,833</b>	<b>\$ 32,831,100</b>	<b>\$ 32,611,882</b>	<b>-0.8%</b>	<b>-0.7%</b>

**Reno-Tahoe Airport Authority**  
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**Section 3 – Expenditures**

The total Operating and Maintenance (O&M) expenses in the FY 2010-11 Budget are \$36,056,426. This is 7.4 percent above the FY 2009-10 Budget and 12.8 percent above a significantly reduced FY 2009-10 projected expenditures. See Section 1 Introduction and the narrative in the section for the proactive steps taken in FY 2009-10 to reduce expenses during the economic slowdown.

	PRIOR YR ACTUAL 2008-09	CURR. YR. BUDGET 2009-10	CURR. YR. PROJECTED 2009-10	BUDGET REQUEST 2010-11	PERCENT CHANGE FY11 BUDGET TO	
					FY10 BUDGET	FY10 PROJECTED
					Personnel Services	\$ 22,076,380
Utilities & Communications	2,983,850	4,400,026	4,256,006	4,526,750	2.9%	6.4%
Purchased Services	3,029,381	4,154,735	4,015,741	5,016,056	20.7%	24.9%
Materials & Supplies	1,402,273	1,727,296	1,720,503	1,799,844	4.2%	4.6%
Administrative Expenses	1,912,983	1,855,162	1,726,390	2,083,196	12.3%	20.7%
<b>Total</b>	<b>\$ 31,404,867</b>	<b>\$ 33,563,858</b>	<b>\$ 31,955,360</b>	<b>\$ 36,056,426</b>	<b>7.4%</b>	<b>12.8%</b>

In December 2009, the Integrated In-Line Explosive Detection System Project, also referred to as the Airport Baggage Check-in (ABC) project, was completed. This project is to provide for the construction of an advanced Explosive Detection and Security Screening System for checked baggage at the Reno-Tahoe International Airport, as mandated by the Transportation Security Administration (TSA). All airlines are operating in the remodeled ticketing lobby and using the new baggage handling and security screening system. The FY 2009-10 Budget included nine months of operating costs. The FY 2010-11 Budget reflects the first full year of the new Baggage Handling System (BHS). This is an increase of \$642,780 as compared to the FY 2009-10 Budget.

Another significant item in the FY 2010-11 Budget, not included in the prior year budget, is the inclusion of property management, utility, and maintenance services for general aviation properties that will be operated by the Authority. Effective July 1, 2010 Jet West and Sierra Air Center will no longer be operating as Fixed Base Operators (FBO's) at RTIA. Due to these additional duties, the Airport Authority is estimating additional O&M expenses of \$463,650.

Without the new incremental BHS and FBO facility costs, the proposed budget increases 4.4% above the FY 2009-10 Budget and 9.2% compared to 2009-10 projected costs.

To put the FY 2010-11 Budget into perspective, it helps to consider the many proactive and aggressive actions that were implemented in FY 2008-09 and carried over to FY 2009-10 to provide cost containment. These steps included the following:

- Not filling existing vacant positions in the budget, leaving newly vacant positions unfilled if not "mission critical", reduced staff through layoffs, reduced positions to part time, froze vacant positions, and increased the percentage of employee time charged to grant funded projects, if eligible and appropriate.

**Reno-Tahoe Airport Authority**  
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**Section 3 – Expenditures**

- A salary freeze for all employees thru June 30, 2010, with no merit increases.
- Retirement Buy-Out Packages were offered to employees who meet certain age and years of service criteria of at least 60 years old with 20 years of service.
- The Authority restructured its health plan to reduce the size of the increase to the Authority by asking employees to carry higher deductibles.
- Capital improvement projects and fixed assets have been reduced or eliminated.
- Preventive and non-essential maintenance projects have been deferred.
- Outside consulting and professional services have been reduced and the Authority has focused its service efforts on mission critical functions.
- Offsite travel/ training have been significantly downsized and all travel requires the approval of the President/ CEO or the Executive Vice-President/COO.

As part of the FY 2010-11 budget review process, various positions, that were previously unfunded, have been put back in the budget. In addition, capital projects, fixed assets and preventive maintenance have been increased. Many items can only be deferred for a limited time until the cost impact of deferring a project exceeds the short-term economic gain.

The underlying structure of the FY 2010-11 O&M expense budget requests is the departmental work plans. The work plans are detailed lists of the activities performed by each department that will accomplish the goals established by the Board. The departments' work plan and budget were reviewed by a senior management committee during presentations given by each department. The following narrative lists the more significant changes.

- Personnel Services budget is increasing by 5.6 percent from the prior year budget. This increase is due to modest salary increases after freezing salaries in FY 2009-10 and the addition of four new positions. Health and benefit costs are decreasing 0.2 percent from FY 2009-10 budget, which is helping to keep the overall personnel cost to a modest increase.
- The Utilities and Communications 2010-11 budget request is 2.9 percent or \$126,724 above the FY 2009-10 budget and 6.4 percent or \$270,744 above the projected expenditures for the current fiscal year 2009-10. Excluding the cost associated with the BHS and the newly acquired FBO sites, the FY 2010-11 budget for utilities is 9.0 percent or \$308,176 below the FY 2009-10 budget. This decrease is due to the proposed rate reduction that was currently announced by NV Energy. This reduction is scheduled to go into effect October, 2010 and will reduce rates to 2005 levels.
- Purchased Services are increasing 20.7 percent or \$861,321 above the 2009-10 budget and 24.9 percent or \$1,000,315 above the projected expenditures for the current fiscal year 2009-10. Other than the full year impact of the new BHS and the Authority's new

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property management duties associated with providing General Aviation hangars, the primary cause of this increase is due to the inclusion of \$205,000 for a purchased service contract associated with leasing of computer workstations and support services as part of a “Hardware as a Service” (HaaS) model instead of purchasing the computers as an asset. Excluding the new incremental BHS and General Aviation costs, the FY 2010-11 Budget is increasing 13.1 percent or \$417,241 above the FY 2009-10 Budget and 10.2 percent or \$332,930 above the projected expenditures for the current fiscal year 2009-10.

- Materials and Supplies are increasing 4.2 percent or \$72,548 from the FY 2009-10 budget and increasing 4.6 percent or \$79,341 over the projected expenditures for the current fiscal year 2009-10. The largest increase is due to the inclusion of approximately \$45,000 for the supplies needed to do a complete rebuild on bag belt #2. The other significant variation as compared to budget is an increase of \$30,000 in Landside Operations for replacement ticket dispensers at the entrance to the parking plaza. This is to cover the cost of damage to the dispensers that is either done by RTAA employees or is not reimbursed by the party that caused the damage.
- Administrative Expenses are increasing 12.3 percent or \$228,034 above the current 2009-10 fiscal year budget and increasing 20.7 percent or \$356,806 above the projected expenditures for fiscal year 2009-10. In the FY 2009-10 Budget, conference registration and associated travel and reimbursed expenses had only been authorized staff who is a committee member of an aviation trade association or as deemed absolutely necessary by the President/CEO. In the FY 2010-11 Budget, conference and associated travel was increased to allow for professional training for additional staff. Even with the increased travel amount budgeted, all trips have to be prior approved by either the President/CEO or the Executive Vice-President/COO.

The following are the strategic goals adopted by the Board, the status of the previous fiscal year 2009-10 key initiatives, and the new fiscal year 2009-10 key initiatives related to the Board goals.

**1. Efficient Airport Operations**

Ensure leadership and direction in managing, coordinating and integrating all aspects of landside, terminal, airside and general aviation operations in compliance with safety and security regulations for an efficient, safe and seamless experience for all Airport users.

**2009-10 Key Initiatives**

- ❖ Complete the Airport Baggage Check-in (ABC) project to reconfigure the terminal and install the In-Line Checked Baggage Screening System by late 2009.
  - *Progress: Project completed and airlines relocated December, 2009.*

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- ❖ Ensure airport is continually in compliance with 14 CFR 139 FAA Certification of Airports and FAA Certification Inspection is passed. Represent the President/CEO on routine and emergency matters during non-business hours. Ensure the continuing operation of the airport during non-business hours.
  - *Progress: On-going; passed annual certification inspection; made 7,660 operations log entries, and provided airfield maintenance on 814 fault reports.*
- ❖ Manage Emergency Operations Center (EOC) during emergencies. Activate EOC as required and provide National Incident Management System (NIMS) training to staff. Administer WebEOC. Attend AAE National Incident Management System Conference and the International Association of Emergency Managers Convention.
  - *Progress: Ongoing; planned and prepared staff for mobile command vehicle rodeo and evaluation; updated webEOC checklists and training material exercises, including snow desk; and provided hands on training to Airport Communication on NIMS and webEOC;*
- ❖ Update Snow and Ice Control Plan. Hold pre-season coordination meetings. Ensure snow is removed from runway and taxiway within 30-minutes of onset of event. Average of 6 events per year. Review snow season activities and prepare for next year. Attend International Snow Symposium.
  - *Progress: Ongoing; Kept runway open for operations during an unusually heavy, first storm and completed transition of the Snow Desk from additional duty/overtime to Airport Communications Center Team.*
- ❖ Monitor weather for effect on construction projects and maintenance activities. Monitor weather in local area and nationwide for delays and other disruptions to air traffic that could affect RTIA. Monitor local area weather for thunderstorms.
  - *Progress: Ongoing; provided seasonal weather reporting and interpretations to executive staff; assisted PR staff with information requirements related to operational impacts of weather; monitored lightening strike information to ensure safe fueling operations.*
- ❖ Create Daily Operations Report summarizing operations activities. Generate aircraft ramp overnight parking report on monthly basis for revenue billing purposes. Proper documentation of daily activities on airport. Properly assign parking spaces to air cargo operations and airlines requesting additional parking spaces.
  - *Progress: Completed*

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- ❖ Ensure Operations representation during planning and execution of construction activities. Ensure proper notification of airfield construction activities. Maintain a safe operations area for aircraft operations and construction.
  - *Progress: Complete and on-going*
- ❖ Successfully limit access to RTAA information technology resources to authorized users. This includes email, data storage areas, and Internet access.
  - *Progress: On-going*
- ❖ Continue implementation of the Bank of America Works procurement card system and interface it to allow direct download of data into the MAS500 Financial system.
  - *Progress: Complete. The Bank of America procurement card went on-line effective July 22, 2008 and the integration of transactions from this system into the MAS500 Financial system was completed in September 2009.*
- ❖ Protect aircraft from the danger of bird strikes and the danger of small and large animal strikes. Reduce number of migratory birds on, and in the vicinity of, the airport. Complete Wildlife Hazard Mitigation Plan. Ensure reduction in population of wildlife on the Airfield in accordance with the Wildlife Hazard Plan. Participation in the annual Goose Roundup in conjunction with USDA. Attend Wildlife Hazard Workshop.
  - *Progress: Ongoing; performed 231 Wildlife Mitigation actions in support of the plan*
- ❖ Reduce pilot/vehicle deviations/incursions. Identify and prepare areas on the airfield for parking up to 500 additional aircraft during special events. Attend Runway Safety Workshop.
  - *Progress: Ongoing; prepared parking areas for special events and managed customs ramp; accommodated 200 aircraft for the Air Races and 36 for the Safari Club.*
- ❖ Monitor the usage and function of the 800 MHz radio system and manage the Inter-local agreement with Washoe County Regional Communications System.
  - *Progress: Ongoing; Completed re-programming of all radios and represented the RTAA at the regional user group and executive board*
- ❖ Monitor door alarms and access control points, verify badge access and print access point reports when requested, dispatch police and/or security to access control point violations.
  - *Progress: Ongoing; Responded to 2,028 door alarms in CY 2009 and performed 5,093 SIDA ID checks in CY 2009*

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- ❖ Operate airport telephone paging system, answer questions from the public, direct operational phone inquiries, and operate direct phone lines with FAA Tower and Fire Department.
  - *Progress: Ongoing; Received 65,952 telephone calls and daily communications checks with safety and security agencies; performed 16,881 telephone pages*
- ❖ Monitor Fire Alarm System for the terminal building, parking structures, U.S. Customs building and airfield maintenance. Advise airlines of ramp freezes and other emergency situations using the airline ring down telephone system.
  - *Progress: Ongoing; Processed over 700 tenant and information bulletins*
- ❖ Complete the installation of an upgraded and improved access control system. This system includes terminal building and airfield perimeter entrances to the secure portions of RTIA.
  - *Progress: Ongoing; Scheduled for completion in June, 2011*
- ❖ Monitor and operate the National Crime Information Center computer for incoming information from outside police agencies and for the Department of Homeland Security bulletins. Disseminate information using fax and retain hard copies.
  - *Progress: Ongoing*
- ❖ Dispatch all routine and emergency calls for police, security, operations, fire and maintenance. Monitor and maintain radio traffic on seven (7) radio channels, make notifications to management and tenants using email and InfoRad paging system. Log all calls for service in a Computer Aided Dispatch computer program.
  - *Progress: Ongoing; Made 44,596 Computer Aided Dispatch entries for security, medical, fire and law enforcement; conducted 35 Airline ring downs and sent 392 alert notices.*
- ❖ Maintain software and hardware for airport security system (C-Cures, WebEOC and CCTV) equipment. Project management for various projects.
  - *Progress: Ongoing; provided project guidance and coordination for the installation of the new airport security system project*

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- ❖ Respond to emergencies on RTAA and Stead properties to provide protection of life, property and the environment
  - *Progress: Ongoing; Responded to all aircraft, structural and medical emergencies in a professional manner, protecting life and minimizing property or environmental damage*
- ❖ Provide specified inspections of all buildings, hangars, aircraft refueling vehicles, and other equipment. Provide hazardous operations standbys as required.
  - *Progress: Maintained on-time Fire Inspection visits on RTAA facilities, inspectors improved Stead Airport hangar procedure inspections, while working closely with Stead Airport Management Team*
- ❖ Update Facility Assessment database
  - *Progress: Complete and information cross-referenced with Maximo allowing the Facility database to be accessed.*
- ❖ Conduct daily airfield inspections to remain in compliance with Part 139, and remain in compliance with future FAA Certification Inspections.
  - *Progress: Complete and ongoing*
- ❖ Keep 90 percent of all trees and plants in landscape healthy and disease free. Large area mowing of acquired properties. Weed abatement-airside/landside. Maintain all irrigation systems for peak performance and water conservation.
  - *Progress: Complete and ongoing*
- ❖ Maintain airfield lighting system to 99 percent of operational requirements at all times, maintain airfield ramp and landside parking lighting to 95 percent operational requirements, maintain all eight airport emergency generators, service and maintain all electrically operated perimeter gates.
  - *Progress: Complete and ongoing*
- ❖ Fog seal 20 percent of Asphaltic Concrete pavement at RTIA and Reno-Stead airports. Repair cracks and spalls in pavement as required, replace joint sealants in areas of identified failure (16,000 linear feet of Taxiway A), and maintain Aircraft Operations Area markings to 100 percent compliance with Part 139.
  - *Progress: Complete and ongoing*

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- ❖ Perform rubber removal as needed per FAA Advisory Circulars, based on Runway Friction Test data to meet Federal Aviation Regulation Part 139 compliance
  - *Progress: Complete and ongoing*
  
- ❖ Inspect, and perform preventive maintenance or service on RTAA building systems, and operate the Terminal Building heating, ventilation, and air conditioning system.
  - *Progress: Complete and ongoing; Over 800 work orders are processed and tracked*
  
- ❖ Maintain airside, and landside pavements and pavement markings.
  - *Progress: Complete and ongoing*
  
- ❖ Maintain a high standard of cleanliness in the Terminal Building and other RTAA facilities.
  - *Progress: Complete and ongoing*
  
- ❖ Patch and seal cracks in five percent (5%) of roadways and parking lots annually. Seal coat five percent (5%) of asphaltic concrete pavement annually. Maintain roadway and crosswalk markings as required, including the new long term parking walkway.
  - *Progress: Complete and ongoing*
  
- ❖ Efficient removal of snow and ice as needed from aircraft, vehicle, and passenger movement areas.
  - *Progress: Complete and ongoing*
  
- ❖ Conduct quarterly fire and safety inspections on airport property including Reno Stead Airport and tenants.
  - *Progress: Complete and ongoing*
  
- ❖ Provide for the safety and security of the traveling public through Airport Police Officer vehicle and foot patrols and police presence. Provide physical security for the aircraft. Meet requirements of TSR Part 1542 and assist air carriers with requirements for TSR Part 1542 and 154
  - *Progress: Complete and ongoing*

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- ❖ Participate in the Transportation Security Administration (TSA) - National Explosive Detection Canine Team Program.
  - *Progress: Complete and ongoing*

**2010-11 Key New Initiatives**

- ❖ Identify and implement opportunities to improve runway and ramp safety.
- ❖ Revise driving regulations and consolidate rules and regulations.
- ❖ Lead and organize the planning and training for the Triennial Exercise in May, 2011, including the preparation and execution of operations and emergency management functions.
- ❖ Maintain professional certifications. Provide for the consistent and accurate communications while performing high confidence in Airport Communications reliability across all shifts.
- ❖ Provide job-related training, including training on the new systems and requirements in the Airport Communications Center; provide cross-familiarization training to elevate knowledge and skills. (MSE)
- ❖ Provide seamless communications support from the Mobile Command Vehicle.
- ❖ Advise airlines of ramp freezes and other emergency situations using the airline ring down telephone system.
- ❖ Provide aircraft refueling vehicle inspection training for all Airport Fire Division employees due to rotation of inspection program.
- ❖ Provide supervisory training for Fire Captains to include administrative duties and Incident Commander organizational responsibilities.
- ❖ Grant general maintenance and schedule inspections for Police Division vehicles and facilities.
- ❖ Sustain Airport Police Division policy and procedure in accordance with the Commission on Accreditation for Law Enforcement (CALEA) standards.
- ❖ Vehicle upgrades will be evaluated for performance as well as fuel efficiency, maintenance costs, and overall value to RTAA.
- ❖ An Airport Markings Best Practices conference will be held in Reno in 2010, where RNO facilities, operations and procedures will be used to demonstrate “how it should be done.”
- ❖ With the support of the President/CEO and Board of Trustees, a snow removal equipment storage building will be constructed during FY 2010-11.
- ❖ New snow removal equipment will be procured over the next three years to upgrade the current fleet.

**2. *Passenger Services and Experience***

Ensure timely and efficient customer flow and high quality customer services. Take the lead in identifying, monitoring, implementing and measuring ongoing improvements for a first-class and convenient experience for customers.

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**2009-10 Key Initiatives**

- ❖ Maintain & Update the RTIA Website.
  - *Progress: Completed redesign of the website in 2009-10 and continue to provide ongoing updates*
- ❖ Support the Airport Baggage Check-In project in communicating with airport tenants and the community.
  - *Progress: Complete with the grand opening ceremony and public information campaign competed in December 2009.*
- ❖ Enhance service through customer service feedback program
  - *Progress: Published community e-newsletter. Ongoing.*
- ❖ Work with food and beverage concessionaire to make adjustments to the menu offering post-security maximizing passenger choices and increasing sales.
  - *Progress: Completed. Supported the redevelopment of the Food & Beverage concession with SSP America for a post-security change in concept from Ritazza's to Max's Eatz and from Quiznos to La Brea Bakery Cafe on each concourse.*
- ❖ Work with retail concessionaire and our other vendors to make adjustments to the retail offering improving shopping opportunities and increasing sales.
  - *Progress: Ongoing*
- ❖ Optimize the services related of the Airport Warehousing and Park to Travel operation, while integrating the Terminal Way office building, without adding to the personnel compliment.
  - *Progress: Complete and ongoing. Provided the frontline customer service, shuttle services, and administration for the Airport Warehousing and Park to Travel operation on a seven (7) day a week schedule with a permanent staff of two employees.*
- ❖ Ensure that terminal building restrooms are cleaned hourly, and prior to each day's peak usage time, supplemented with a mid-peak inspection.
  - *Progress: Complete and ongoing*

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- ❖ Provide and maintain all aspects of Ground Transportation to provide services and maintain compliance with all regulations.
  - *Progress: Complete and ongoing*
  
- ❖ Provide the traveling public with highest quality of parking services while maintaining a safe, secure environment by monitoring parking exit times and adjusting staffing within budgeted capabilities.
  - *Progress: Complete and ongoing*
  
- ❖ Provide for the safety and security of the traveling public. Provide physical security for the aircraft. Meet requirements of Transportation Security Regulation (TSR) Part 1542 and assist air carriers with requirements for TSR Part 1542 and 1544.
  - *Progress: Complete and ongoing*
  
- ❖ Maintain all signs so they are 100 percent functional and visible.
  - *Progress: Complete and ongoing; The Authority procured a new cutter / plotter to make signs in house, thus reducing costs for signage.*
  
- ❖ Sweep all landside roads and parking areas as needed. Keep airport storm drain system free of debris for proper drainage. Sweep ramps and perimeter roads as needed. Pick up and dispose of pallets daily. Empty trash dumpsters twice daily every day.
  - *Progress: Complete and ongoing*
  
- ❖ Input, modify and assist in entering accurate and timely information in the Flight Information Display System.
  - *Progress: Complete and ongoing*

**2010-11 Key New Initiatives**

- ❖ Showcase four (4) art exhibits annually.
- ❖ Enhance service through customer service feedback program, including the answering of more than 1,000 Ask the Airport questions.
- ❖ Ensure a quality passenger experience by monitoring the daily operations and maintenance of the terminal building and operating systems and equipment.
- ❖ Complete the rehabilitation of an additional 20,000 square feet of long term parking pavement with a minimal impact of the traveling public.

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- ❖ Sweep all landside roads and parking areas as needed. Keep airport storm drain system free of debris for proper drainage. Sweep ramps and perimeter roads as needed. Pick up and dispose of pallets daily. Empty trash dumpsters twice daily every day.
- ❖ Input, modify and assist in entering accurate and timely information in the Flight Information Display System.
- ❖ Develop a ground transportation education and customer service program that establishes guidelines for operating on the airport.
- ❖ Implement a new media marketing program (Facebook, Twitter, and airport blog) that will save costs and improve communication with our passengers over traditional avenues.
- ❖ Work with RTAA staff, airlines, tenants and community partners to create targeted customer service programs that help passengers have a positive travel experience, especially during peak travel times.

**3. Maximize Staff Effectiveness**

Create a work environment that is conducive to maximum growth and development and enhance each employee's opportunity to achieve the highest level of performance.

**2009-10 Key Initiatives**

- ❖ Provide recurrent training in accordance with Nevada Peace Officer Standards and Training (P.O.S.T.) requirements. Continue professional development training. Field Training Officer Program for new officer(s).
  - *Progress: Complete and ongoing*
- ❖ Provide meaningful training for all employees to enable successful performance of their jobs.
  - *Progress: Complete and ongoing*
- ❖ Develop an internal Certificate Program to provide opportunities for employees to obtain focused training in topics such as safety or supervision.
  - *Progress: Several internal experts have/will be used to provide training such as: Lock Out/Tag Out, Work Zone Safety, CPR and First Aid, Confined Space, and Ladder Safety. Development of Safety Training Certificate Program currently underway. Completed by end of FY 2010*
- ❖ Transition the benefits open enrollment from a paper-based system to an electronic system.
  - *Progress: Completed and implemented during May/June open enrollment period.*

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- ❖ Conduct a review of all existing policies to ensure the latest changes in the law are appropriately incorporated into the policies.
  - *Progress: Have reviewed and changed several policies including: EEO, Sexual Harassment, FMLA, Vehicle Use, COBRA, ADA and Confidentiality and Information Security. On-going monitoring of legislative changes and policies.*
- ❖ Produce twelve (12) editions of the employee newsletter, the Runway Reporter.
  - *Progress: Complete and ongoing*
- ❖ Conduct disaster training as required by the FAA, and provide required OSHA safety training.
  - *Progress: Complete and ongoing*
- ❖ Conduct a Fair Labor Standards Act review of all current positions to verify overtime eligibility.
  - *Progress: Completed by the end of FY 2010*
- ❖ Conduct employee evaluations in a timely manner.
  - *Progress: Complete and ongoing*
- ❖ Provide job-related training to include training on the new security systems that will come online in the Airport Communications Center.
  - *Progress: Ongoing; Conducted user and administrator training on new security management system; organized and implemented a structured training schedule for skill sustainment and skill development, exceeding the minimum requirement*
- ❖ Make all employees aware of proper safety and fire prevention practices.
  - *Progress: Ongoing; Educated Fire Inspectors; provided one on one fire prevention education during facility and refueling vehicle inspections, also trained airport employees who attended fire extinguisher course*
- ❖ Ensure operational status of all department vehicles, tools and equipment. Ensure a safe, clean and operational station. Order supplies and equipment as needed.
  - *Progress: Ongoing; Fire department vehicles have experienced minimum downtime due to operational preventative maintenance and safe operation during emergencies.*

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*Firefighters have taken great pride in the maintenance and cleaning of the new ARFF station*

- ❖ Maintain proficiency as required by standards and codes.
  - *Progress: Ongoing; Department personnel continue to meet FAA training requirements and have become more involved with mutual aid training with local agencies*

**2010-11 Key New Initiatives**

- ❖ Remain informed on media issues, record news stories and share monthly media reports with staff.
- ❖ Coordinate quarterly four (4) All-Employee Meetings.
- ❖ Attend classes to develop in-house graphic skills.
- ❖ Develop human resource policies and programs that reflect the changing cultural and social trends reflected throughout our society.
- ❖ Provide employee support and assistance to those departments that are expected to undergo restructuring and reorganization.
- ❖ Customize and present the Supervisory Training program to departmental supervisors.
- ❖ Participate in the Airport Council International (ACI) compensation survey and apply the data to improve recruitment effort for difficult to fill organizational positions.
- ❖ Implement any applicable initiatives that are generated through legislative health care reform measures.
- ❖ Negotiate the collective bargaining agreement for the Police employees as well as any re-opener articles brought forward from the Fire employees.
- ❖ Provide job-related training to include training on the new systems and requirements in the Operations; provide cross-familiarization training to elevate knowledge and skills; prepare and present training on operations in movement areas and other topics.
- ❖ Conduct training on Safety Management System (SMS) and Operational Risk Management. Assess and mitigate hazards.
- ❖ Improve Snow and Ice Control processes. Attend the International Snow Symposium.
- ❖ Ensure all team members are capable of independently facilitating communications for the first 45 minutes of an Alert III response, and capable of operating communications as part of the incident command staff in the MCV.
- ❖ Provide user training on the 800MHz radios.
- ❖ Validate effectiveness of Driver/Operator and Acting Captain certification training programs.
- ❖ Expand participation in external training in current fire and emergency services certifications.
- ❖ Expand training of airport employees in fire prevention practices, confine space, fire extinguisher and hazardous materials subjects.
- ❖ Offer recurrent training in accordance with Nevada Peace Officers Standards Training requirements.
- ❖ Provide Field Training Officer Program for new officer(s) and continue professional development training.

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**4. Financial Stability**

Ensure financial growth and stability of Reno-Tahoe Airport Authority as a self-sustaining entity by maximizing revenue and controlling operating costs. Maintain a long-range financial forecasting and planning process designed to respond to market conditions.

**2009-10 Key Initiatives**

- ❖ Maintain a low cost per enplaned passenger despite the current economic slowdown and its impact on passenger activity levels.
  - *Progress: Complete and ongoing. Preliminary unaudited financial information projects a cost per enplaned passenger of \$6.45 which is significantly below the budgeted amount of \$7.76.*
- ❖ Continue to aggressively apply for federal grants and maximize use of passenger facility charge fees to fund capital improvement projects.
  - *Progress: Complete and ongoing - \$20.3 million in FAA grants was received in 2009-10.*
- ❖ Conduct six audits that focus on value-added auditing techniques.
  - *Progress: Completed and Ongoing.*
- ❖ Conduct four Lease Compliance audits.
  - *Progress: Completed and Ongoing.*
- ❖ Oversee Public Parking Activities – Perform on-going monitoring of revenue control and operational activities specific to the parking garage audit program.
  - *Progress: Completed and Ongoing.*
- ❖ Obtain both the Government Finance Officer Association awards for Budget and Financial Statement Presentation Reports.
  - *Progress: Obtained both GFOA awards for both budget and financial statement reports dated June 30, 2009.*

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- ❖ Prepare a monthly financial operating report to inform the Board and Management of the RTAA financial condition, and the status of the airline landing fee and rental rate.
  - *Progress: Complete and ongoing*
  
- ❖ Dispose of Surplus property at public auctions pursuant to the requirements contained in Nevada law.
  - *Progress: Complete and ongoing. Semi-annual public auctions of surplus property were held. Disposition of surplus property by auction complies with requirements contained in NRS 332.*
  
- ❖ Update FAA Grants status reports and assisted auditors with annual Single Audit.
  - *Progress: Complete and ongoing.*
  
- ❖ Negotiate a new airline agreement, which includes cost recovery of the new airport baggage system scheduled for completion in late 2009.
  - *Progress: Complete. New airline agreement was negotiated and is effective July 1, 2010.*
  
- ❖ Complete insurance applications, provide insurance company tours, administer RTAA liability claims, and review RTAA contract insurance requirements.
  - *Progress: Complete and ongoing. Completed insurance applications with updated vehicle and equipment schedules, coordinated annual property inspections, administered RTAA liability claims including mediation.*
  
- ❖ Complete rental car request for bid (RFB) and negotiate terms to achieve minimum annual guarantees of approximately 10% of gross annual rental revenues.
  - *Progress: A request for bid was issued and submissions received on March 23, 2010. The final contract award was approved by the Board of Trustee at the April meeting and the new agreements will be effective on July 1, 2010.*
  
- ❖ Maximize investment income within the prudent parameters established by RTAA Investment Policy and Bond Resolutions.
  - *Progress: During FY 2009-10, the Authority's investment policy was modified to expand the number of investment options available for use. The new investments included the following: (1) bank deposits collateralized as required under the Nevada pooled collateral program (NRS 356); (2) the Local Government Investment Pool ("LGIP") as*

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*established by the Nevada State Treasurer for the benefit of local agencies and identified under NRS 355.167; and (3) Certificate of Deposit Account Registry Service (“CDARS”).*

**2010-11 Key New Initiatives**

- ❖ Establish Airport Economic Development function and incorporate property administration functions into this team with a renewed focus on real estate development of airport property.
- ❖ Complete Request for Proposal process to provide general aviation hangars at the Reno-Stead Airport.
- ❖ Solicit and negotiate a new agreement for a second Fixed Base Operator at the Reno-Tahoe International Airport.
- ❖ Complete Passenger Facility Charge Application #11 and amend other open applications to reflect update project status.
- ❖ Prepare a Request for Proposal (RFP) and negotiate a new contract for insurance brokerage services.
- ❖ Prepare a financial credit package and secure medium term financing for proposed capital improvement projects
- ❖ Develop and issue quarterly financial statement and revise monthly management reports provided to Airport senior management and the Board of Trustees.
- ❖ Conduct six audits that focus on value-added auditing techniques.
- ❖ Conduct four Lease Compliance audits.
- ❖ Comply with the requirements for competitive bidding contained in NRS 332 and 338 and the Airport Improvement Project Handbook by preparing equipment, concession, small capital projects, AIP-funded bids, and maintenance bids and proposal requests that are budgeted in the Fiscal Year 2010-11 budget.
- ❖ Continue to expand utilization of the MAS500 inventory and fixed asset modules including the bi-annual physical fixed asset inspection and count.
- ❖ Continue monitoring usage of and updates to the Bank of America Works procurement card system and its interface with the MAS500 system.
- ❖ Ensure compliance with Disadvantaged Business Enterprise Program.

**5. Air Service Development**

Increase the level of passenger and cargo air service at the Reno-Tahoe International Airport by collaborating with community stakeholders to define critical markets and together aggressively pursue them.

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**2009-10 Key Initiatives**

- ❖ Communicate current airport status and promote air carriers and their destinations serving RNO to regional customers.
  - *Progress: Goal completed and is ongoing.*
  
- ❖ Focus on minimizing capacity reductions at RNO and maintaining air service at the June 2009 level of 67 daily departures and 7,782 seats.
  - *Progress: Goal completed – 68 daily departures and 8150 seats announced for June 2010.*
  
- ❖ Develop and present to airlines route analysis and business plans designed to maintain existing air service. Shift to development of new markets only when the economy and economic conditions allow the airlines to grow.
  - *Progress: Goal completed and is ongoing. Announced 10 flights returned to the RNO flight schedule plus three new flights added as the economy begins to recover and WN and AS begin to grow again*
  
- ❖ Continue to pursue low cost carriers Southwest, AirTran, JetBlue and Virgin America.
  - *Progress: Goal completed and ongoing. Four meetings/presentations with Southwest, three with AirTran, two with jetBlue and one Virgin America in FY 2009-10.*
  
- ❖ Pursue international air service as a secondary priority by developing and presenting Air Service Development business plans to WestJet for Canada and Volaris for Mexico as a result of the announced code share agreement with Southwest.
  - *Progress: Goal completed/exceeded. International air service presentations to WestJet, Mexicana, Aeromexico.*
  
- ❖ Develop international air cargo carriers at RTIA.
  - *Progress: Goal completed and is ongoing. Air Cargo plan developed and implemented, presentations have been made to over 20+ international air carriers, two air cargo development trips to Asia, Routes attended, ongoing.*

**Reno-Tahoe Airport Authority**  
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- ❖ Support community organizations that contribute to the economic welfare of RNO – Regional Marketing Committee (RMC), Economic Development Authority of Western Nevada (EDAWN), Northern Nevada Development Authority (NNDA), Reno Sparks Convention and Visitors Authority (RSCVA), Nevada Commission of Tourism (NCOT), etc.
  - *Progress: Goal completed and is ongoing.*
- ❖ Determine and report the level of air carrier activity at RNO by completing a Monthly Flight Schedule.
  - *Progress: Goal completed and is ongoing.*
- ❖ Research and report the monthly and year-to-date Passenger and Air Cargo Statistics.
  - *Progress: Goal completed and is ongoing.*
- ❖ Support business and professional organizations that are related to the travel industry – American Association of Airport Executives (AAAE), Airport Council International (ACI), and Network USA.
  - *Progress: Goal completed and is ongoing.*
- ❖ Provide RNO’s Holiday decorations and entertainment program(s) each year.
  - *Progress: Goal completed and is ongoing.*
- ❖ Air Service Development department team to increase knowledge of air passenger, air cargo, Family Assistance Center and travel industry by participating in professional training. (AAAE, JumpStart, Network USA, National Transportation Safety Board (NTSB) training.
  - *Progress: Goal completed and is ongoing.*
- ❖ Focus Airline Business Development strategy to concentrate on low cost, growing airlines that fit RNO's market.
  - *Progress: Goal completed and is ongoing.*
- ❖ Continue the existing effort on increasing air service in Chicago and the Western markets.
  - *Progress: Goal completed and is ongoing. In FY 2009-10, RTAA secured a non-stop flight on Southwest to Denver with a same plane connection to Boston.*

**Reno-Tahoe Airport Authority**  
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**Section 3 – Expenditures**

- ❖ Proactively seek unexpected ad hoc opportunities (extra sections) dealing with maintaining or increasing air passenger and/or cargo service i.e. charters, extra sections, upgauged aircraft)
  - *Progress: Goal completed and is ongoing.*
- ❖ Secure nonstop service to eastern markets and maintain RNO service at June 2009 levels of 7.782 seats.
  - *Progress: Goal completed and is ongoing. June 2010 schedule announced at 68 daily departures and 8150 seats as of February 2010.*
- ❖ Work to reinstate service to Hartsfield Jackson Atlanta International Airport (ATL)
  - *Progress: Goal partially completed as Delta Air Lines continued to operate nonstop ATL-RNO on a seasonal basis.*
- ❖ Pursue international air service as secondary priority.
  - *Progress: Goal completed and is ongoing. Air Service development meetings with WestJet for Vancouver International Airport ( YVR) and Mexicana for Guadalajara, International ( GDL) continue.*
- ❖ Conduct a relationship building event with RNO airline station managers to maintain a relationship at the local level.
  - *Progress: The Authority holds a monthly meeting with the airline station managers to discuss common issues and provide communication regarding events that may impact the airline's operations. Once a quarterly, the President/CEO holds a special session to discuss more strategic issues and an opportunity for the station manager to provide direct input and feedback. This goal is ongoing.*
- ❖ Manage a community Air Service Task Force (ASTF) Steering Committee.
  - *Progress: Goal completed and is ongoing.*
- ❖ Participate in Regional Marketing Committee (RMC) as RTAA representative.
  - *Progress: Goal completed and is ongoing. Staff member elected as Vice-Chair*

**Reno-Tahoe Airport Authority**  
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**Section 3 – Expenditures**

- ❖ Maintain or increase domestic air cargo service with existing or new carriers.
  - *Progress: Not completed due to fuel crisis, recession and resulting capacity cuts by all Air Cargo carriers.*

**2010-11 Key New Initiatives**

- ❖ Communicate current airport status (such as security measures) and promote air carriers and their destinations serving RTIA to regional customers.
- ❖ Focus on minimizing capacity reductions at RNO and maintaining air service at the June 2010 level of 68 daily departures and 8,150 seats.
- ❖ Develop and present route analysis and business plans to airlines designed to maintain existing air service. Shift to development of new markets only when the economy and economic conditions allow the airlines to grow.
- ❖ Continue to pursue low cost carriers Southwest, AirTran, JetBlue and Virgin America.
- ❖ Marketing & Air Service Team to increase knowledge of air passenger, air cargo and travel industry by participating in professional training.
- ❖ Focus marketing and air service strategy to concentrate on low cost, growing airlines that fit RTIA's market.
- ❖ Continue the existing focus on increasing air passenger service frequency in Chicago and the Western markets.
- ❖ Secure non-stop service to major eastern U.S. markets.
- ❖ Manage a community Air Service Task Force (ASTF)

**6. Master Development Planning**

Develop and implement financially sound capital improvement programs and land development processes for both airports that are appropriately timed to satisfy the aviation demands of the region as part of an evolving master development planning process.

**2009-10 Key Initiatives**

- ❖ Complete Terminal Programming Study for Reno-Stead Airport (RTS).
  - *Progress: Complete*
- ❖ Complete the Master Plan Update Study for RTS
  - *Progress: Complete*

**Reno-Tahoe Airport Authority**  
**2010-11**  
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**Section 3 – Expenditures**

- ❖ Coordinate multiple phases of the Sound Insulation Program, which will insulate homes impacted by aircraft noise
  - *Progress: Ongoing - Phase 16 completed; Phases 17-20 in various stages of progress.*
- ❖ Prepare an annual noise contour for RNO.
  - *Progress: Complete*
- ❖ Complete quarterly noise monitoring.
  - *Progress: Complete*
- ❖ Continue coordination with Federal Aviation Administration (FAA) on various projects including the new air traffic control tower facility and Airport Surveillance Radar (ASR)-11 equipment
  - *Progress: Complete and ongoing. The new air traffic control tower is on schedule to be open and operational October, 2010.*
- ❖ Develop the annual Airport Capital Improvement Program (ACIP) for the FAA.
  - *Progress: Complete*
- ❖ Complete the projects indicated by the airside and landside pavement evaluations.
  - *Progress: Complete and ongoing*
- ❖ Initiation of the runway safety area improvements construction for RTS
  - *Progress: Design completed but Construction not initiated*
- ❖ Initiation of the RTS new terminal design
  - *Progress: Design has begun and is ongoing*
- ❖ Initiation of the RTS re-numbering of Runway 8/26 to Runway 7/25 project
  - *Progress: Project was terminated after it was determined that there was no need for the it at this time*

**Reno-Tahoe Airport Authority**  
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**Section 3 – Expenditures**

- ❖ Initiation of the centralized security checkpoint development project
  - *Progress: Project was delayed pending completion and functional analysis of the Airport Baggage Check-In (ABC) project in December, 2009*
- ❖ Engineering and construction management for RNO and RTS capital projects
  - *Progress: Complete and ongoing. Numerous Capital Improvements Projects were accomplished, including the Pavement Management Program and the Taxiway “L” Extension to the Wash Rack.*

**2010-11 Key New Initiatives**

- ❖ Support the construction of the Reno Fuel Facility Corporation (RFFC) consolidated fueling facility including demolition of the former B&C Cabinets building.
- ❖ Operate and maintain the permanent noise and operations monitoring system.
- ❖ Coordinate multiple phases of the sound insulation program (continue work on Phases 17-20 and initiate new phases pending grant funding).
- ❖ Operate and maintain the permanent noise and operations monitoring system.
- ❖ Assist with conversion of under-utilized vacant land into revenue producing use.
- ❖ Continue coordination with FAA on various projects including the Low Cost Ground Surveillance (LCGS) Pilot Program and ASR-11 installation.
- ❖ Prepare annual RNO noise contour.
- ❖ Conduct and coordinate with outside agencies and internal stakeholders regarding aviation development planning.
- ❖ Conduct and coordinate with outside agencies regarding land development and land use planning.
- ❖ Submit annual Airport Capital Improvement Programs for RNO and RTS.
- ❖ Engineering and construction management of capital projects including a Snow Removal Equipment Building and Terminal Refurbishment Program at RNO and an Emergency Operations Center/Terminal at RTS.

**7. Stead Airport Operations**

Lead all aspects of Stead operations to ensure a safe, secure and compliant airport. Monitor, advocate and take advantage of potential infrastructure initiatives in the North Valleys recognizing the intrinsic value of the asset, and position the Airport land development for the long term benefit of the region.

**Reno-Tahoe Airport Authority**  
**2010-11**  
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**Section 3 – Expenditures**

**2009-10 Key Initiatives**

- ❖ Random inspection of Airfield and Tenant and Public areas with sweeping as necessary
  - *Progress: Complete and ongoing*
- ❖ Conduct daily airfield inspections during the peak summer months.
  - *Progress: Complete and ongoing*
- ❖ Initiation of the runway safety area improvements construction for RTS
  - *Progress: Ongoing*
- ❖ Initiation of the RTS new terminal design
  - *Progress: Ongoing*
- ❖ Initiation of the RTS re-numbering of Runway 8/26 to Runway 7/25 project
  - *Progress: Ongoing*
- ❖ Remove snow promptly to ensure maximum tenant access.
  - *Progress: Ongoing*
- ❖ Conduct runway and lighting systems inspections daily
  - *Progress: Ongoing*
- ❖ Conduct random landscaping inspection.
  - *Progress: Complete and ongoing*
- ❖ Inspect on a random basis emergency generator, hangar fire suppressions system pump and test monthly.
  - *Progress: Complete and ongoing*
- ❖ Fence and graded fire breaks randomly inspected
  - *Progress: Complete and ongoing*

**Reno-Tahoe Airport Authority**  
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**Section 3 – Expenditures**

- ❖ Maintain ongoing assessment and response to tenant needs with a maximum 24-hour response time
  - *Progress: Complete and ongoing*
- ❖ Continue the ongoing airfield/asphalt maintenance program
  - *Progress: Complete and ongoing*
- ❖ Maintain ongoing relationship with surrounding neighborhood associations.
  - *Progress: Complete and ongoing*
- ❖ Assist in the success of the Reno Air Races by providing airport facilities that are ready for the event.
  - *Progress: Complete and ongoing*
- ❖ Assist the Planning staff and consultants in updating the Reno-Stead master plan
  - *Progress: Completed*

**2010-11 Key New Initiatives**

- ❖ Purchase replacement equipment approved in the FY 2010-11 Budget and modify maintenance and asset preservation program in the following areas:
  - Airfield and Roadway pavement preservation
  - Weed Abatement/mowing on aviation surfaces
  - Vehicle maintenance
  - Airfield and roadway snow removal
  - Landscaping
- ❖ Enhanced focus on sweeping of airfield and roadway surfaces.
- ❖ Provide janitorial service for public facilities.
- ❖ Expansion of preventive maintenance of building and landscape plumbing systems.
- ❖ Assist the Economic Development Department in leasing/showing land to other parties
- ❖ Continue Reno-Stead Airport terminal/emergency operations command center site and building development..
- ❖ Initiate runway safety area improvements construction for RTS.

**Reno-Tahoe Airport Authority  
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Section 3 – Expenditures**

**8. Community Relations**

Establish the Reno-Tahoe Airport Authority as a respected regional business leader and the Reno-Tahoe International Airport as the Airport of choice by building trust and credibility.

**2009-10 Key Initiatives**

- ❖ Maintain airport concession disadvantaged business enterprise (DBE) paperwork, enroll certified applicants, and attend conferences and certification meetings as necessary.
  - *Progress: Complete and ongoing*
- ❖ Facilitate Airport Noise Advisory Panel, monitor noise complaints, conduct quarterly noise monitoring, and respond to requests for acoustical analyses.
  - *Progress: Complete and ongoing*
- ❖ Receive, review and respond to all noise complaint calls.
  - *Progress: Complete and ongoing*
- ❖ Provide airport information and community outreach through various forms of media and programs such as a monthly broadcast of the “Plane Talk” airport television show on Sierra Nevada Cable Access Television (SNCAT).
  - *Progress: Complete and ongoing. Although SNCAT has gone out of business, other forms of media are utilized to provide information to the community.*
- ❖ Maintain and enhance customer service and community outreach by hosting staff and community meetings, as well as press conferences.
  - *Progress: Complete and ongoing*
- ❖ Represent the RTAA with community groups and for speeches.
  - *Progress: Complete and ongoing*
- ❖ Identify new and creative ways of bringing a community “welcome” to large conference attendees.
  - *Progress: Complete and ongoing*

**Reno-Tahoe Airport Authority**  
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**Section 3 – Expenditures**

- ❖ Continue the RTAA’s art program, and music events in the terminal building.
  - *Progress: Complete and ongoing*
- ❖ Continue the RTAA’s sponsorship of community events such as Artown.
  - *Progress: Complete and ongoing*

**2010-11 Key New Initiatives**

- ❖ Provide airport information through more than 100 media interviews.
- ❖ Maintain and enhance customer service and community outreach by making presentations to more than 10 community groups.
- ❖ Optimize communication of airport activities, events and services through 12 issues of the e-newsletter.
- ❖ Create a land development web site.
- ❖ Develop new methods for in-airport marketing of RNO air service.
- ❖ Maintain membership and attendance at weekly and monthly community meetings to extend community outreach and continue professional development.
- ❖ Use magazine display advertising to promote convenience of using RNO to potential regional and national passengers.
- ❖ Maintain & Update RTIA Website as necessary, but at least a monthly basis.
- ❖ Design and help maintain land development marketing materials.
- ❖ Coordinate four quarterly Community Outreach Committee (COC) Meetings.
- ❖ Maintain and enhance partnership marketing opportunities.
- ❖ Attend at least two events yearly to highlight RNO’s corporate aviation potential.

**9. Environmental Responsibility**

Commit to environmental awareness, protection, and programs that continually improve the RTAA’s environmental stewardship, to help minimize the impact on the natural environment while developing sustainable aviation business practices.

**2009-10 Key Initiatives**

- ❖ Coordinate and fulfill Environmental Planning and compliance programs.
  - *Progress: Complete and ongoing*
- ❖ Complete annual storm water pollution prevention inspections of RTAA and tenant facilities.
  - *Progress: Complete and ongoing*

**Reno-Tahoe Airport Authority**  
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**Section 3 – Expenditures**

- ❖ Complete annual update of water rights recognition.
  - *Progress: Complete and ongoing*
- ❖ Oversee the RTS consent decree remediation program.
  - *Progress: Complete and ongoing*
- ❖ Oversee the expansion of the airport recycling program.
  - *Progress: Complete and ongoing*
- ❖ Identify and monitor underground storage tanks for RTAA and tenants with tanks on RTAA property.
  - *Progress: Complete*
- ❖ Ensure that all currently owned water rights are maintained and when additional land is acquired have the associated water rights recognized.
  - *Progress: Complete and ongoing*

**2010-11 Key New Initiatives**

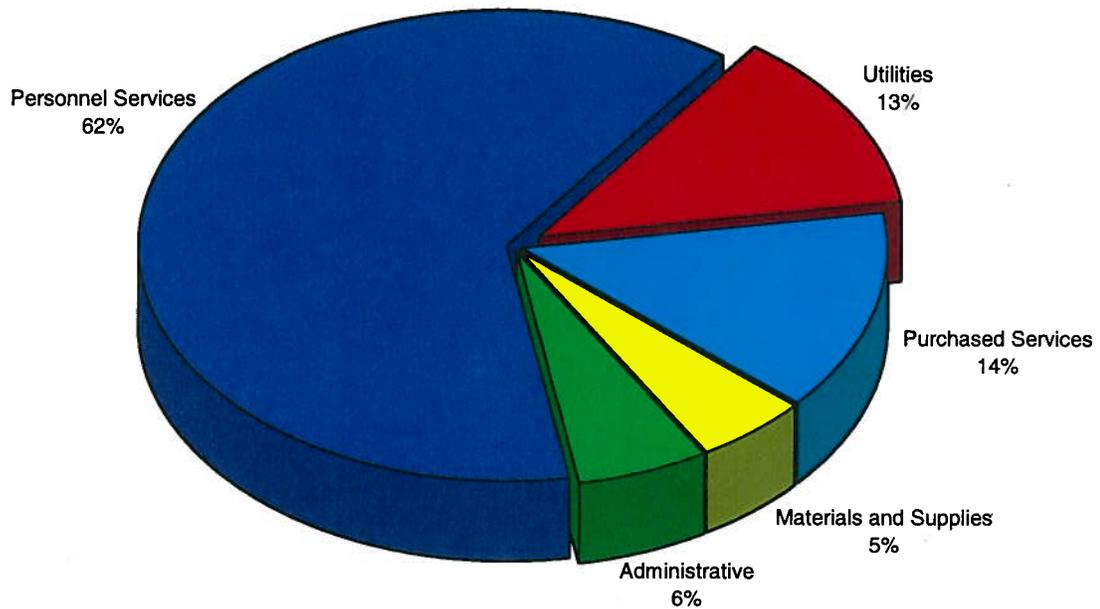
- ❖ Evaluate and coordinate the proposed use of solar power for electrical generation at both RNO and RST airports.
- ❖ Reduce energy consumption through the installation of energy saving light fixtures and improvements to the energy management building systems.

The individual departmental budgets following this narrative are organized in the following manner. The department or section mission statement is followed by the department or section work plan summaries. The work plans are detailed lists of the activities performed by each department that will accomplish the goals established by the Board. The FY 2010-11 O&M expense budget is based on the financial resources requested by departments to accomplish their work plans. The detailed line item budget for each section and the total Personnel Complement for that department or section are then shown.

**Reno-Tahoe Airport Authority  
2010-11  
ANNUAL BUDGET**

**Operation & Maintenance Expenditures**

**2010-11 O&M Expenditures**



<b>EXPENDITURES</b>	
Personnel Services	\$ 22,630,580
Utilities	4,526,750
Purchased Services	5,016,056
Materials and Supplies	1,799,844
Administrative	<u>2,083,196</u>
<b>Total</b>	<b>\$ 36,056,426</b>

**Reno-Tahoe Airport Authority**  
**2010-11**  
**ANNUAL BUDGET**  
**Summary of Budgeted Expenditures**

<b>Account Group</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
Personnel Services	\$ 22,076,380	\$ 21,426,639	\$ 22,630,580	5.6%
Utilities and Communications	2,983,850	4,400,026	4,526,750	2.9%
Purchased Services	3,029,381	4,154,735	5,016,056	20.7%
Materials and Supplies	1,402,273	1,727,296	1,799,844	4.2%
Administrative Expenses	1,912,983	1,855,162	2,083,196	12.3%
<b>Total Operating Expenses</b>	<b>\$ 31,404,867</b>	<b>\$ 33,563,858</b>	<b>\$ 36,056,426</b>	<b>7.4%</b>
Property, Plant and Equipment	384,862	36,300	511,880	1310.1%
<b>TOTAL</b>	<b>\$ 31,789,729</b>	<b>\$ 33,600,158</b>	<b>\$ 36,568,306</b>	<b>8.8%</b>

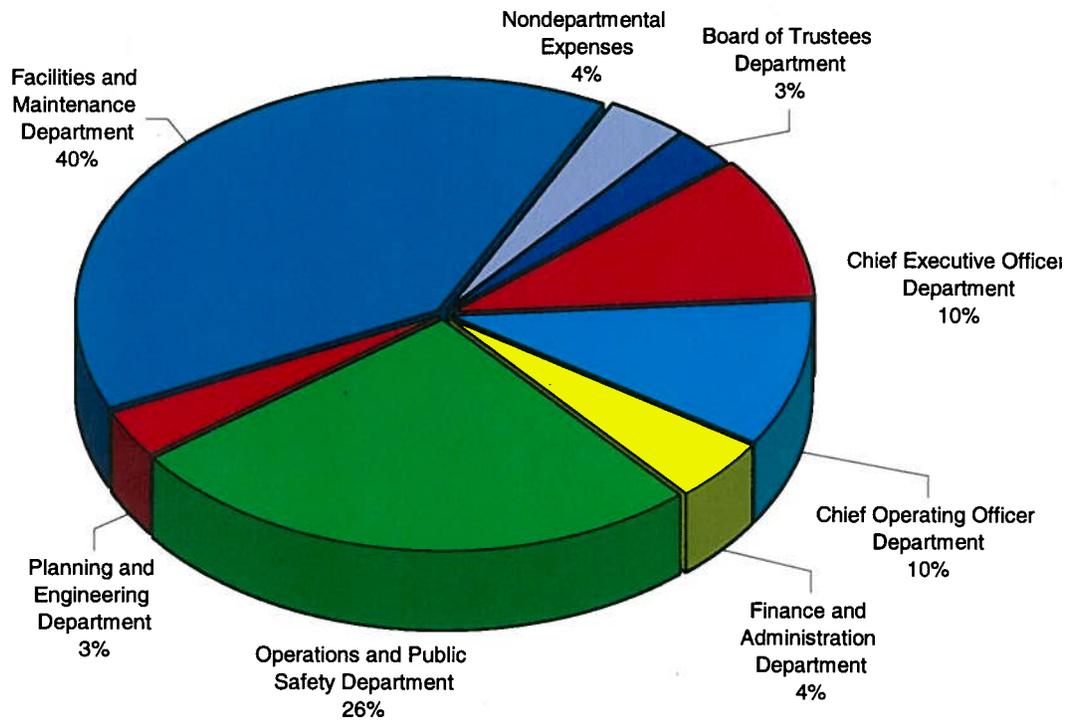
**Reno-Tahoe Airport Authority**  
**2010-11**  
**ANNUAL BUDGET**  
**Resources Applied by Organizational Unit**

	2008-09 <u>ACTUAL</u>	2009-10 <u>BUDGETED</u>	2010-11 <u>BUDGETED</u>
<b>Board of Trustees Department</b>			
Board of Trustees	\$ 86,351	\$ 102,150	\$ 122,230
Internal Audit	134,892	182,025	221,780
Legal Counsel	<u>435,406</u>	<u>613,561</u>	<u>677,568</u>
<b>TOTAL</b>	<u>656,649</u>	<u>897,736</u>	<u>1,021,578</u>
<b>President/CEO Department</b>			
President/CEO	562,596	593,650	603,700
Air Service and Business Development Section	665,064	573,685	467,080
Marketing and Public Affairs Section	874,674	601,860	715,000
Economic Development Section	838,525	602,620	929,260
Outside Properties Section	<u>247,317</u>	<u>349,160</u>	<u>862,010</u>
<b>TOTAL</b>	<u>3,188,176</u>	<u>2,720,975</u>	<u>3,577,050</u>
<b>Executive Vice-President/COO Department</b>			
Executive Vice-President/COO	420,717	417,585	574,935
Technology and Information Systems Section	1,132,663	1,109,779	1,465,950
Reno-Stead Airport Section	712,005	684,450	786,900
Human Resources Section	<u>967,797</u>	<u>1,009,967</u>	<u>916,230</u>
<b>TOTAL</b>	<u>3,233,182</u>	<u>3,221,781</u>	<u>3,744,015</u>
<b>Finance and Administration Department</b>			
Accounting and Administration	747,445	730,806	798,175
Finance and Budgeting Section	274,838	268,900	267,850
Purchasing and Materials Management Section	<u>436,766</u>	<u>458,200</u>	<u>467,080</u>
<b>TOTAL</b>	<u>1,459,049</u>	<u>1,457,906</u>	<u>1,533,105</u>
<b>Operations and Public Safety Department</b>			
Senior Director of Operations and Public Safety	287,543	267,310	262,472
Airsides Operations Section	1,731,653	1,613,000	1,652,650
Landside Operations Section	1,042,517	1,135,858	1,229,588
Airport Rescue and Fire Section	2,473,816	2,648,659	2,658,490
Airport Police Section	3,320,384	3,427,700	2,270,771
Airport Security Section	<u>-</u>	<u>-</u>	<u>1,382,900</u>
<b>TOTAL</b>	<u>8,855,913</u>	<u>9,092,527</u>	<u>9,456,871</u>
<b>Planning and Engineering Department</b>			
Planning and Environmental Services Section	788,310	669,213	727,890
Engineering and Construction Section	<u>483,919</u>	<u>742,800</u>	<u>501,400</u>
<b>TOTAL</b>	<u>1,272,229</u>	<u>1,412,013</u>	<u>1,229,290</u>
<b>Facilities and Maintenance Department</b>			
Director of Facilities and Maintenance	595,134	505,530	506,125
Airfield Maintenance Section	2,856,174	3,050,650	3,275,625
Building Maintenance and Services Section	7,480,657	7,920,740	7,685,987
BHS Section	<u>-</u>	<u>2,075,600</u>	<u>2,718,380</u>
<b>TOTAL</b>	<u>10,931,965</u>	<u>13,552,520</u>	<u>14,186,117</u>
<b>Nondepartmental Operation and Maintenance Expenses</b>	1,103,644	882,300	945,700
<b>Nondepartmental Non Rate Base Expenses</b>	<u>704,060</u>	<u>326,100</u>	<u>362,700</u>
<b>Total Operations and Maintenance Expense</b>	<u>31,404,867</u>	<u>33,563,858</u>	<u>36,056,426</u>

**Reno-Tahoe Airport Authority  
2010-11  
ANNUAL BUDGET**

**Departmental Operation & Maintenance Expenditures**

**2010-11 O&M by Department**



<b>DEPARTMENT</b>	
Board of Trustees Department	\$ 1,021,578
Chief Executive Officer Department	3,577,050
Chief Operating Officer Department	3,744,015
Finance and Administration Department	1,533,105
Operations and Public Safety Department	9,456,871
Planning and Engineering Department	1,229,290
Facilities and Maintenance Department	14,186,117
Nondepartmental Expenses	1,308,400
<b>Total</b>	<b>\$ 36,056,426</b>

**Reno-Tahoe Airport Authority  
2010-11  
ANNUAL BUDGET  
Functions and Work Plans**

Listed below are the department/sections mission statements, relationship to the goals of the Board of Trustees and the general elements of their work plans.

**Board of Trustees – Mission Statement:** Responsible for setting policies that govern the operation of the airport through the adoption of resolutions and awarding of contracts.

**General Counsel – Mission Statement:** Provide legal services to the Board of Trustees and staff, including advice, litigation, and document review, coordinate use of other outside counsel, attend Board meetings and other meetings where required, consult with Board and staff on Open Meeting Law, perform other duties as required.

**Board Goal:** Financial Stability and Maximize Staff Effectiveness

**Work Plans:**

- Attend Board meetings.
- Answer questions asked by the Board members.
- Review all documents as requested by Staff,
- Answer all questions asked by staff.
- Provide resolution dispute services.
- Coordinate the services of outside legal firms used for the following Specialty Areas: labor issues, environmental, condemnation, and bankruptcies. Review all outside counsel invoices.

**Internal Audit – Mission Statement:** To provide highly reliable and objective evaluations of the organization's operations to assist management with their important business and financial decisions, and to protect and safeguard the organization's resources and assets.

**Board Goal:** Financial Stability and Maximize Staff Effectiveness

**Work Plans:**

- Conduct six audits that focus on value-added auditing techniques.
- Conduct four Lease Compliance audits.
- Oversee Parking Auditor Activities – Perform on-going monitoring of operational activities specific to the parking garage audit program.
- Prepare proposed fiscal year budgets for the Internal Audit Department and General Counsel.
- Responsible for meeting room set-up relevant to the monthly Finance Committee meetings. Draft meeting minutes for approval and distribution in Board Packets.
- Special assignments as requested.
- Participate in committees and/or organizational development opportunities.

**Reno-Tahoe Airport Authority**

**2010-11**

**ANNUAL BUDGET**

**Functions and Work Plans**

- Participate in professional organizations, volunteer committees, and/or community sponsored events that provide opportunities to become involved with local community activities.
- Participate in professional organizations that augment Internal Audit skills and professional development.

**Reno-Tahoe Airport Authority**  
**2010-11**  
**ANNUAL BUDGET**  
**Board of Trustees**  
Department Summary

<u>Account Group</u>	<u>2008-09 ACTUAL</u>	<u>2009-10 BUDGET</u>	<u>2010-11 BUDGET</u>	<u>PERCENT CHANGE</u>
Personnel Services	\$ 198,500	\$ 241,280	\$ 276,380	15%
Utilities and Communications	-	-	-	0%
Purchased Services	439,892	615,036	677,248	10%
Materials and Supplies	1,487	5,700	5,600	-2%
Administrative Expenses	16,770	35,720	62,350	75%
 Total Operating Expenses	 \$ 656,649	 \$ 897,736	 \$ 1,021,578	 14%
 Property, Plant and Equipment	 0	 0	 0	 0%
 <b>TOTAL</b>	 <b>\$ 656,649</b>	 <b>\$ 897,736</b>	 <b>\$ 1,021,578</b>	 <b>14%</b>

Reno-Tahoe Airport Authority  
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ANNUAL BUDGET

BOARD OF TRUSTEES  
Department 101

	<u>ACCOUNT NO.</u>	<u>2008-09 ACTUAL</u>	<u>2009-10 BUDGET</u>	<u>2010-11 BUDGET</u>	<u>PERCENT CHANGE</u>
<b>PERSONNEL SERVICES</b>					
Trustee Stipend	41190	\$60,480	\$60,480	\$60,480	0%
Physical Exam Expense	41310	4,820	0	0	0%
<b>TOTAL PERSONNEL SERVICES</b>		<b>65,300</b>	<b>60,480</b>	<b>60,480</b>	<b>0%</b>
<b>PURCHASED SERVICES</b>					
Other Professional Services	43190	518	0	0	0%
Office Equipment Rental	43210	3,217	2,300	2,000	-13%
Freight Expense	43430	139	200	200	0%
Other Purchased Services	43490	511	1,000	1,000	0%
<b>TOTAL PURCHASED SERVICES</b>		<b>4,385</b>	<b>3,500</b>	<b>3,200</b>	<b>-9%</b>
<b>MATERIALS &amp; SUPPLIES</b>					
Office Supplies	44100	1,118	2,000	2,000	0%
Paper	44110	21	300	200	-33%
Postage	44120	95	150	150	0%
Printing & Forms	44130	132	2,500	2,500	0%
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		<b>1,366</b>	<b>4,950</b>	<b>4,850</b>	<b>-2%</b>
<b>ADMINISTRATIVE EXPENSE</b>					
Membership Dues	45110	2,100	2,000	2,000	0%
Conference Registration Fees	45130	560	3,300	9,600	191%
Training Expense	45140	1,049	2,000	2,000	0%
Meeting Expense	45150	5,990	17,100	17,100	0%
Disaster Exercise Expense	45170	21	0	0	0%
Travel & Reimbursed Expense	45210	5,580	8,820	23,000	161%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>		<b>15,300</b>	<b>33,220</b>	<b>53,700</b>	<b>62%</b>
<b>TOTAL DEPARTMENT EXPENSES</b>		<b>\$86,351</b>	<b>\$102,150</b>	<b>\$122,230</b>	<b>20%</b>

**Reno-Tahoe Airport Authority  
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**INTERNAL AUDIT  
Executive Section 204**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
<b>PERSONNEL SERVICES</b>					
Permanent Employees	41110	\$97,526	\$134,000	\$157,800	18%
Temporary Employees	41120	2,385	0	0	0%
Vacation Pay	41130	2,749	0	2,600	%
Sick Leave	41140	(865)	700	2,100	200%
Holiday Pay	41150	2,718	0	0	0%
Medicare	41320	1,510	1,900	2,300	21%
FICA	41321	1,739	0	0	0%
Group Insurance	41340	9,187	11,100	12,300	11%
LTD/Life Insurance	41342	814	1,500	1,700	13%
Self Funded Rx	41343	1,547	2,100	3,100	48%
Vision Insurance	41344	210	300	400	33%
Dental Insurance	41347	1,302	1,800	2,000	11%
Workers Comp	41350	359	500	400	-20%
Retirement	41360	12,019	26,900	31,200	16%
<b>TOTAL PERSONNEL SERVICES</b>		<b>133,200</b>	<b>180,800</b>	<b>215,900</b>	<b>19%</b>
<b>PURCHASED SERVICES</b>					
Office Equipment Rental	43210	101	200	600	200%
<b>TOTAL PURCHASED SERVICES</b>		<b>101</b>	<b>200</b>	<b>600</b>	<b>200%</b>
<b>MATERIALS &amp; SUPPLIES</b>					
Office Supplies	44100	7	500	500	0%
Paper	44110	(11)	100	100	0%
Postage	44120	42	100	100	0%
Printing & Forms	44130	0	50	50	0%
Office Small Equipment	44410	83	0	0	0%
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		<b>121</b>	<b>750</b>	<b>750</b>	<b>0%</b>
<b>ADMINISTRATIVE EXPENSE</b>					
Membership Dues	45110	125	275	430	56%
Books & Subscriptions	45120	0	0	200	%
Conference Registration Fees	45130	0	0	1,000	%
Training Expense	45140	550	0	0	0%
Travel & Reimbursed Expense	45210	795	0	2,900	%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>		<b>1,470</b>	<b>275</b>	<b>4,530</b>	<b>1547%</b>
<b>TOTAL SECTION EXPENSES</b>		<b>\$134,892</b>	<b>\$182,025</b>	<b>\$221,780</b>	<b>22%</b>

**Reno-Tahoe Airport Authority  
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**GENERAL COUNSEL  
Executive Section 102**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
<b>PURCHASED SERVICES</b>					
Legal Contracted Service	43110	434,874	590,736	642,248	9%
Other Professional Services	43190	0	20,000	30,000	50%
Office Equipment Rental	43210	23	0	0	0%
Permits & Recorders Fees	43460	0	0	600	%
Other Purchased Services	43490	509	600	600	0%
<b>TOTAL PURCHASED SERVICES</b>		<b>435,406</b>	<b>611,336</b>	<b>673,448</b>	<b>10%</b>
<b>ADMINISTRATIVE EXPENSE</b>					
Books & Subscriptions	45120	0	525	525	0%
Conference Registration Fees	45130	0	700	1,595	128%
Travel & Reimbursed Expense	45210	0	1,000	2,000	100%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>		<b>0</b>	<b>2,225</b>	<b>4,120</b>	<b>85%</b>
<b>TOTAL SECTION EXPENSES</b>		<b>\$435,406</b>	<b>\$613,561</b>	<b>\$677,568</b>	<b>10%</b>

**Reno-Tahoe Airport Authority  
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Functions and Work Plans**

Listed below are the department/sections mission statements, relationship to the goals of the Board of Trustees and the general elements of their work plans.

**President/Chief Executive Officer (CEO) – Mission Statement:** Implements Board policy to ensure the operation and maintenance of a high quality, customer service oriented, financially self-sufficient airport system. The system must be safe, efficient, and cost effectively developed.

**Air Service Business Development - Mission Statement:** Increase the level of passenger and cargo air service at the Reno-Tahoe International Airport by focusing on and collaborating with community stakeholders to define critical markets and together aggressively pursue them with key airline decision makers.

**Board Goals:** Air Service Development, Maximize Staff Effectiveness, and Passenger Services and Experience

**Work Plans:**

- Communicate current airport status (such as security measures) and promote air carriers and their destinations serving RTIA to regional customers.
- Focus on minimizing capacity reductions at RNO and maintaining air service at the June 2010 level of 68 daily departures and 8,150 available seats.
- Develop and present route analysis and business plans to airlines designed to maintain existing air service. Shift to development of new markets only when the economy and economic conditions allow the airlines to grow.
- Continue to pursue low cost carriers Southwest, AirTran, JetBlue and Virgin America.
- Develop and present air cargo business plans to domestic and international cargo carriers as appropriate.
- Determine and report the level of air carrier activity at RNO by completing a monthly flight schedule.
- Research and report the monthly and year-to-date Passenger and Air Cargo Statistics
- Support business and professional organizations that are related to the travel industry.
- Provide RNO's Holiday decorations and entertainment program(s) each year.
- Marketing & Air Service Team to increase knowledge of air passenger, air cargo and travel industry by participating in professional training.
- Focus marketing and air service strategy to concentrate on low cost, growing airlines that fit RTIA's market.
- Continue the existing focus on increasing air passenger service frequency in Chicago and the Western markets.

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Functions and Work Plans**

- Proactively seek unexpected ad hoc opportunities (extra sections) dealing with maintaining or increasing air passenger and/or cargo service.
- Secure non-stop service to major eastern U.S. markets.
- Pursue international air service as secondary priority.
- Manage a community Air Service Task Force (ASTF)
- Participate in Regional Marketing Committee (RMC) as RTAA representative.
- Maintain or increase domestic air cargo service with existing or new carriers.
- Maintain or increase international air cargo service with existing or new carriers.
- Develop international air cargo carriers at RTIA.

**Marketing and Public Affairs - Mission Statement:** Provide Public Information to the news media 24/7 and support RTAA efforts in striving as a forward thinking, community minded airport, continually improving the image of the airport through public awareness activities and services .

**Board Goal:** Passenger Services and Experience Maximize Staff Effectiveness, and Community Relations

**Work Plans:**

- Provide airport information through more than 100 media interviews.
- Maintain and enhance customer service and community outreach by making presentations to more than 10 community group.
- Optimize communication of airport activities, events and services through 12 issues of the e-newsletter.
- Emergency contingency and crisis response when required.
- Create a land development web site.
- Enhance service through customer service feedback program, including the answering of more than 1,000 Ask the Airport questions.
- Develop new methods for in-airport marketing of RNO air service.
- Maintain membership and attendance at weekly and monthly community meetings to extend community outreach and continue professional development.
- Remain informed on media issues, record news stories and share monthly media reports with staff.
- Improve organizational communication by publishing a monthly newsletter.
- Represent the interests of the RTAA in Washington, DC.
- Use magazine display advertising to promote convenience of using RNO to potential regional and national passengers.
- Showcase four (4) art exhibits annually
- Maintain & Update RTIA Website as necessary, but at least a monthly basis.
- Design and help maintain land development marketing materials.
- Coordinate quarterly (4) All-Employee Meetings
- Coordinate quarterly (4) Community Outreach Committee Meetings
- Maintain and enhance partnership marketing opportunities.
- Attend at least two events yearly to highlight RNO's corporate aviation potential

**Reno-Tahoe Airport Authority  
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Functions and Work Plans**

**Airport Economic Development – Mission Statement:** To acquire and manage real property interests and serve as the property manager of all airport facilities in order to provide exceptional goods and services to the traveling public. This effort involves developing and managing terminal concessions and creating legal documents that ensures the best commercial and self-sustaining developments.

**Board Goals:** Efficient Airport Operations, Passenger Services and Experience, Maximize Staff Effectiveness, Financial Stability, Air Service Development, Master Development Planning, and Stead Airport Operations

**Work Plans:**

- Foster the environment of high quality, customer service, and value from the Food & Beverage concession with SSP America capitalizing on the concept changes to Max's Eatz, Greens Healthy Choices, and La Brea Bakery Café.
- Complete agreements relevant to the changes on the Jet West and Sierra Air Center facility.
- Implement the new Rental Car concession agreements and coordinate the transitions resulting from the new contract.
- Create new concepts and develop advertising inventory to take advantage of opportunities. Complete the addition of new airport related content on the digital information center. Complete the upgrading of the terminal backlit advertising signage.
- Support the efforts at developing vacant land by assisting in the marketing programs of other Authority departments.
- Provide frontline customer service, shuttle services, administration, and property management for the Airport Warehousing, Terminal Way office building, and Park-to-Travel operation on a seven-day schedule. Continue to market the facilities to take advantage of leasing opportunities.
- Support the continued development general aviation hangars at both Reno-Tahoe International and Reno-Stead Airports.
- Work with Paradies and our other vendors to make adjustments to the retail offering improving shopping opportunities and increasing sales.
- Support the construction of the Reno Fuels Facility Corporation (RFFC) consolidated fueling facility including demolition of the former B&C Cabinets building.
- Secure revised lease agreements with the Transportation Security Administration to operate the inline baggage screening support space.
- Complete and close-out the noise abatement grant under AIP-69.
- Continue to optimize the use of the GCR Airport Business Manager software and continue to focus on system updating and monitoring to ensure accurate billing statements.
- Improved communications and service delivery to other Authority departments.

**Reno-Tahoe Airport Authority**  
**2010-11**  
**ANNUAL BUDGET**  
**President/CEO**  
Department Summary

<u>Account Group</u>	<u>2008-09 ACTUAL</u>	<u>2009-10 BUDGET</u>	<u>2010-11 BUDGET</u>	<u>PERCENT CHANGE</u>
Personnel Services	\$ 2,558,470	\$ 2,047,450	\$ 2,374,850	16%
Utilities and Communications	45,492	84,650	187,000	121%
Purchased Services	217,220	201,225	462,445	130%
Materials and Supplies	30,464	43,650	45,900	5%
Administrative Expenses	336,530	344,000	506,855	47%
 Total Operating Expenses	 \$ 3,188,176	 \$ 2,720,975	 \$ 3,577,050	 31%
Property, Plant and Equipment	0	0	0	0%
 <b>TOTAL</b>	 <b>\$ 3,188,176</b>	 <b>\$ 2,720,975</b>	 <b>\$ 3,577,050</b>	 <b>31%</b>

**Reno-Tahoe Airport Authority  
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**PRESIDENT/CEO  
Department 201**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
<b>PERSONNEL SERVICES</b>					
Permanent Employees	41110	\$244,757	\$350,700	\$359,500	3%
Temporary Employees	41120	24,064	0	0	0%
Vacation Pay	41130	32,279	3,000	9,900	230%
Sick Leave	41140	16,122	11,600	11,800	2%
Holiday Pay	41150	16,444	0	0	0%
Automobile Allowance	41250	12,000	12,000	12,000	0%
Communications Allowance	41300	228	0	0	0%
Medicare	41320	3,892	4,100	4,200	2%
Group Insurance	41340	15,171	16,100	13,700	-15%
LTD/Life Insurance	41342	9,562	10,500	10,900	4%
Self Funded Rx	41343	2,794	3,000	3,200	7%
Vision Insurance	41344	325	400	400	0%
Dental Insurance	41347	2,131	2,300	2,000	-13%
Workers Comp	41350	671	500	400	-20%
Retirement	41360	62,057	72,500	74,500	3%
Benefit Bank Deferred Comp	41430	3,279	0	0	0%
<b>TOTAL PERSONNEL SERVICES</b>		<b>445,776</b>	<b>486,700</b>	<b>502,500</b>	<b>3%</b>
<b>PURCHASED SERVICES</b>					
Office Equipment Rental	43210	909	300	400	33%
Freight Expense	43430	481	300	300	0%
Other Purchased Services	43490	46	0	0	0%
<b>TOTAL PURCHASED SERVICES</b>		<b>1,436</b>	<b>600</b>	<b>700</b>	<b>17%</b>
<b>MATERIALS &amp; SUPPLIES</b>					
Office Supplies	44100	866	2,000	2,500	25%
Paper	44110	681	400	400	0%
Postage	44120	78	400	400	0%
Printing & Forms	44130	860	400	400	0%
Office Small Equipment	44410	109	0	0	0%
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		<b>2,594</b>	<b>3,200</b>	<b>3,700</b>	<b>16%</b>
<b>ADMINISTRATION EXPENSES</b>					
Educational & Professional Fees	45100	601	0	0	0%
Membership Dues	45110	81,012	42,550	45,300	6%
Books & Subscriptions	45120	2,685	3,800	4,000	5%
Conference Registration Fees	45130	1,419	5,800	3,000	-48%
Meeting Expense	45150	8,397	9,500	9,500	0%

**Reno-Tahoe Airport Authority  
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**PRESIDENT/CEO  
Department 201**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
Travel & Reimbursed Expense	45210	18,676	41,500	35,000	-16%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>		112,790	103,150	96,800	-6%
<b>TOTAL DEPARTMENT EXPENSES</b>		\$562,596	\$593,650	\$603,700	2%

**Reno-Tahoe Airport Authority  
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**AIR SERVICE BUSINESS DEVELOPMENT  
Executive Section 202**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
<b>PERSONNEL SERVICES</b>					
Permanent Employees	41110	\$305,940	\$291,400	\$196,600	-33%
Vacation Pay	41130	30,574	2,100	0	-100%
Sick Leave	41140	5,542	8,100	0	-100%
Holiday Pay	41150	18,146	0	0	0%
Comp Time	41160	361	0	0	0%
Overtime Pay	41210	380	0	0	0%
Automobile Allowance	41250	4,800	4,800	2,000	-58%
Communications Allowance	41300	330	0	0	0%
Physical Exam Expense	41310	1,770	0	0	0%
Medicare	41320	5,222	4,200	2,900	-31%
Group Insurance	41340	23,211	28,600	16,200	-43%
LTD/Life Insurance	41342	3,406	3,500	2,500	-29%
Self Funded Rx	41343	3,792	5,300	3,800	-28%
Vision Insurance	41344	425	700	500	-29%
Dental Insurance	41347	3,314	3,900	2,500	-36%
Workers Comp	41350	838	900	700	-22%
Retirement	41360	68,575	60,200	40,400	-33%
Benefit Bank Deferred Comp	41430	11,008	0	0	0%
<b>TOTAL PERSONNEL SERVICES</b>		<b>487,634</b>	<b>413,700</b>	<b>268,100</b>	<b>-35%</b>
<b>PURCHASED SERVICES</b>					
Consultants - General	43140	2,559	0	0	0%
Other Professional Services	43190	126	0	2,000	%
Office Equipment Rental	43210	897	2,400	2,400	0%
Repairs	43310	20	600	600	0%
Contracted Services	43340	0	500	500	0%
Freight Expense	43430	85	1,000	1,000	0%
Other Purchased Services	43490	44	25	25	0%
<b>TOTAL PURCHASED SERVICES</b>		<b>3,731</b>	<b>4,525</b>	<b>6,525</b>	<b>44%</b>
<b>MATERIALS &amp; SUPPLIES</b>					
Office Supplies	44100	4,053	3,500	3,500	0%
Paper	44110	203	500	500	0%
Postage	44120	203	1,000	500	-50%
Printing & Forms	44130	320	3,000	1,500	-50%
Sign and Sign Maintenance	44430	1,614	3,400	0	-100%
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		<b>6,393</b>	<b>11,400</b>	<b>6,000</b>	<b>-47%</b>

**Reno-Tahoe Airport Authority  
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**AIR SERVICE BUSINESS DEVELOPMENT  
Executive Section 202**

	<u>ACCOUNT NO.</u>	<u>2008-09 ACTUAL</u>	<u>2009-10 BUDGET</u>	<u>2010-11 BUDGET</u>	<u>PERCENT CHANGE</u>
<b>ADMINISTRATIVE EXPENSE</b>					
Membership Dues	45110	1,715	1,560	1,805	16%
Books & Subscriptions	45120	(595)	0	0	0%
Conference Registration Fees	45130	6,857	6,200	18,100	192%
Training Expense	45140	667	2,000	2,000	0%
Meeting Expense	45150	5,739	2,000	2,500	25%
Meeting Exp-Air Svc Task Force	45151	170	500	500	0%
Travel & Reimbursed Expense	45210	36,765	39,050	55,000	41%
Travel&Reimb Exp-Air Svc Task	45211	0	8,000	7,800	-3%
Employee Mileage Reimbursement	45240	7	250	250	0%
Publications	45320	100	0	0	0%
Air Service Development	45350	14,643	0	0	0%
Economic Development	45360	130	0	0	0%
Other Advertising & Promotion	45390	29,667	28,000	28,000	0%
Conference Sponsorship	45391	53,519	6,000	5,000	-17%
Community Outreach	45398	17,922	50,500	65,500	30%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>		<u>167,306</u>	<u>144,060</u>	<u>186,455</u>	<u>29%</u>
<b>TOTAL SECTION EXPENSES</b>		<u>\$665,064</u>	<u>\$573,685</u>	<u>\$467,080</u>	<u>-19%</u>

**Reno-Tahoe Airport Authority  
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**MARKETING AND PUBLIC AFFAIRS  
Executive Section 203**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
<b>PERSONNEL SERVICES</b>					
Permanent Employees	41110	\$427,283	\$305,900	\$348,400	14%
Vacation Pay	41130	32,410	2,300	4,500	96%
Sick Leave	41140	32,434	5,400	7,000	30%
Holiday Pay	41150	19,863	0	0	0%
Comp Time	41160	16,043	0	0	0%
Overtime Pay	41210	898	250	350	40%
Shift Differential	41230	4,876	0	0	0%
Automobile Allowance	41250	4,800	4,800	4,800	0%
Holiday worked Pay	41280	8,267	0	0	0%
Communications Allowance	41300	443	0	0	0%
Medicare	41320	7,937	4,400	5,100	16%
Group Insurance	41340	61,788	37,200	36,000	-3%
LTD/Life Insurance	41342	7,970	6,000	4,300	-28%
Self Funded Rx	41343	10,663	7,200	8,900	24%
Vision Insurance	41344	4,353	1,900	1,200	-37%
Dental Insurance	41347	1,206	1,000	6,100	510%
Workers Comp	41350	5,569	1,100	1,200	9%
Retirement	41360	87,947	64,200	73,600	15%
Uniform Allowance	41380	544	0	0	0%
Benefit Bank Beferred Comp	41430	7,329	0	0	0%
<b>TOTAL PERSONNEL SERVICES</b>		<b>742,623</b>	<b>441,650</b>	<b>501,450</b>	<b>14%</b>
<b>UTILITIES AND COMMUNICATIONS</b>					
Water	42130	30	0	0	0%
<b>TOTAL UTILITIES &amp; COMMUNICATIONS</b>		<b>30</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>PURCHASED SERVICES</b>					
Consultants - General	43140	32,355	44,000	40,000	-9%
Other Professional Services	43190	61,008	53,750	73,720	37%
Office Equipment Rental	43210	806	1,200	1,000	-17%
Freight Expense	43430	81	300	300	0%
Other Purchased Services	43490	322	1,800	1,050	-42%
<b>TOTAL PURCHASED SERVICES</b>		<b>94,572</b>	<b>101,050</b>	<b>116,070</b>	<b>15%</b>
<b>MATERIALS &amp; SUPPLIES</b>					
Office Supplies	44100	4,291	6,300	5,800	-8%
Paper	44110	171	300	300	0%
Postage	44120	316	300	300	0%

**Reno-Tahoe Airport Authority  
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**MARKETING AND PUBLIC AFFAIRS  
Executive Section 203**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
Printing & Forms	44130	413	800	800	0%
Office Small Equipment	44410	435	0	900	%
Sign and Sign Maintenance	44430	2,344	7,000	5,000	-29%
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		<b>8,610</b>	<b>14,700</b>	<b>13,100</b>	<b>-11%</b>
<b>ADMINISTRATIVE EXPENSES</b>					
Membership Dues	45110	1,935	2,990	2,995	0%
Books & Subscriptions	45120	901	795	885	11%
Conference Registration Fees	45130	605	850	850	0%
Training Expense	45140	290	1,000	1,000	0%
Meeting Expense	45150	552	725	1,225	69%
Travel & Reimbursed Expense	45210	4,234	2,700	2,700	0%
Employee Mileage Reimburseme	45240	136	400	300	-25%
Publications	45320	18,545	18,000	36,625	103%
Other Advertising & Promotion	45390	(2,766)	0	0	0%
Art Program	45393	1,331	2,200	3,000	36%
Community Outreach	45398	3,076	14,800	34,800	135%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>		<b>28,839</b>	<b>44,460</b>	<b>84,380</b>	<b>90%</b>
<b>TOTAL SECTION EXPENSES</b>		<b>\$874,674</b>	<b>\$601,860</b>	<b>\$715,000</b>	<b>19%</b>

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**ECONOMIC DEVELOPMENT  
Section 304**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
<b>PERSONNEL SERVICES</b>					
Permanent Employees	41110	\$407,529	\$359,000	\$523,100	46%
Vacation Pay	41130	37,355	2,200	4,200	91%
Sick Leave	41140	13,854	8,000	7,900	-1%
Holiday Pay	41150	24,063	0	0	0%
Comp Time	41160	179	0	0	0%
Overtime Pay	41210	674	0	0	0%
Shift Differential	41230	1,145	0	0	0%
Medicare	41320	7,363	5,200	7,600	46%
Group Insurance	41340	55,498	37,100	35,100	-5%
LTD/Life Insurance	41342	5,176	3,800	5,500	45%
Self Funded Rx	41343	8,242	6,900	8,300	20%
Vision Insurance	41344	1,020	900	1,100	22%
Dental Insurance	41347	5,151	5,100	5,100	0%
Workers Comp	41350	1,437	1,100	1,300	18%
Retirement	41360	97,505	75,100	109,000	45%
Benefit Bank Deferred Comp	41430	8,380	0	0	0%
<b>TOTAL PERSONNEL SERVICES</b>		<b>674,571</b>	<b>504,400</b>	<b>708,200</b>	<b>40%</b>
<b>UTILITIES AND COMMUNICATIONS</b>					
Electricity	42110	13,541	0	0	0%
Natural Gas	42120	5,867	200	0	-100%
Water	42130	11,867	12,000	12,000	0%
Sewer	42140	2,197	0	0	0%
Solid Waste Disposal	42150	6,086	0	0	0%
Communications	42210	957	350	0	-100%
<b>TOTAL UTILITIES &amp; COMMUNICATIONS</b>		<b>40,515</b>	<b>12,550</b>	<b>12,000</b>	<b>-4%</b>
<b>PURCHASED SERVICES</b>					
Consultants - General	43140	425	0	0	0%
Real Estate Appraising & Neg.	43170	5,516	6,000	20,000	233%
Other Professional Services	43190	10,878	14,500	47,500	228%
Office Equipment Rental	43210	2,078	2,300	2,300	0%
Land Rental	43240	2,800	2,800	2,800	0%
Contracted Services	43340	11,221	0	0	0%
Other Repair/Maintenance Svc	43390	32,638	0	0	0%
Freight Expense	43430	543	500	650	30%
Permits & Recorders Fees	43460	200	0	0	0%
Airport Advertising	43470	13,666	3,000	5,250	75%

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ECONOMIC DEVELOPMENT  
Section 304

	ACCOUNT NO.	2008-09 ACTUAL	2009-10 BUDGET	2010-11 BUDGET	PERCENT CHANGE
Other Purchased Services	43490	7,002	1,000	0	-100%
<b>TOTAL PURCHASED SERVICES</b>		86,967	30,100	78,500	161%
<b>MATERIALS &amp; SUPPLIES</b>					
Office Supplies	44100	4,486	3,000	3,800	27%
Paper	44110	777	900	900	0%
Postage	44120	730	600	1,000	67%
Printing & Forms	44130	1,445	750	0	-100%
Janitorial Paper Supplies	44250	45	0	0	0%
Janitorial Supplies	44260	453	0	0	0%
Vehicles	44310	104	0	0	0%
Locks & Hardware	44333	434	0	0	0%
Small Tools - Minor Equipment	44400	105	0	0	0%
Office Small Equipment	44410	611	0	0	0%
Sign and Sign Maintenance	44430	737	250	750	200%
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		9,927	5,500	6,450	17%
<b>ADMINISTRATIVE EXPENSE</b>					
Membership Dues	45110	1,795	1,510	2,620	74%
Books & Subscriptions	45120	43	140	140	0%
Conference Registration Fees	45130	1,140	700	6,140	777%
Training Expense	45140	375	0	1,000	%
Meeting Expense	45150	89	0	0	0%
Travel & Reimbursed Expense	45210	7,863	2,720	21,260	682%
Employee reimbursed mileage	45240	1,016	0	450	%
Newspapers	45340	148	0	0	0%
Economic Development	45360	14,076	45,000	72,500	61%
Other Advertising & Promotion	45390	0	0	20,000	%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>		26,545	50,070	124,110	148%
<b>TOTAL SECTION EXPENSES</b>		<b>\$838,525</b>	<b>\$602,620</b>	<b>\$929,260</b>	<b>54%</b>

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**OUTSIDE PROPERTIES  
Section 306**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
<b>PERSONNEL SERVICES</b>					
Permanent Employees	41110	\$129,685	\$134,500	\$278,900	107%
Temporary Employees	41120	0	0	6,000	%
Vacation Pay	41130	4,369	0	2,200	%
Sick Leave	41140	4,639	0	1,100	%
Holiday Pay	41150	6,679	0	0	
Overtime Pay	41210	672	2,500	1,750	-30%
Shift Differential	41230	839	0	0	0%
Medicare	41320	434	2,000	4,000	100%
Group Insurance	41340	20,555	22,300	26,800	20%
LTD/Life Insurance	41342	1,424	1,500	3,300	120%
Self Funded Rx	41343	5,234	4,100	6,300	54%
Vision Insurance	41344	521	600	800	33%
Dental Insurance	41347	1,594	3,500	4,100	17%
Workers Comp	41350	2,231	600	2,200	267%
Retirement	41360	28,990	28,900	56,400	95%
Uniform Allowance	41380	0	500	750	50%
<b>TOTAL PERSONNEL SERVICES</b>		<b>207,866</b>	<b>201,000</b>	<b>394,600</b>	<b>96%</b>
<b>UTILITIES AND COMMUNICATIONS</b>					
Electricity	42110	0	36,000	109,000	203%
Natural Gas	42120	0	13,900	13,500	-3%
Water	42130	0	2,800	6,550	134%
Sewer	42140	0	3,600	13,350	271%
Solid Waste Disposal	42150	4,088	14,600	27,900	91%
Communications	42210	859	1,200	4,700	292%
<b>TOTAL UTILITIES &amp; COMMUNICATIONS</b>		<b>4,947</b>	<b>72,100</b>	<b>175,000</b>	<b>143%</b>
<b>PURCHASED SERVICES</b>					
Consultants - General	43140	382	6,000	0	-100%
Other Professional Services	43190	2,932	6,700	7,500	12%
Contracted Services	43340	7,582	11,400	83,750	635%
Other Repair/Maintenance Svc	43390	17,417	24,000	151,400	531%
Freight Expense	43430	38	0	0	0%
Other Purchased Services	43490	2,163	16,850	18,000	7%
<b>TOTAL PURCHASED SERVICES</b>		<b>30,514</b>	<b>64,950</b>	<b>260,650</b>	<b>301%</b>

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**OUTSIDE PROPERTIES  
Section 306**

	<u>ACCOUNT NO.</u>	<u>2008-09 ACTUAL</u>	<u>2009-10 BUDGET</u>	<u>2010-11 BUDGET</u>	<u>PERCENT CHANGE</u>
<b>MATERIALS &amp; SUPPLIES</b>					
Office Supplies	44100	1,278	1,550	2,000	29%
Paper	44110	32	100	200	100%
Postage	44120	308	500	750	50%
Printing & Forms	44130	207	600	1,600	167%
Auto Fuel	44230	0	2,400	0	-100%
Janitorial Supplies	44260	260	1,450	4,700	224%
Vehicles	44310	104	100	300	200%
Heating & Air Conditioning	44320	0	100	300	200%
Locks & Hardware	44333	434	1,250	2,750	120%
Small Tools - Minor Equipment	44400	105	100	2,250	2150%
Office Small Equipment	44410	212	500	200	-60%
Sign and Sign Maintenance	44430	0	200	1,600	700%
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		<u>2,940</u>	<u>8,850</u>	<u>16,650</u>	<u>88%</u>
<b>ADMINISTRATIVE EXPENSE</b>					
Training Expense	45140	0	100	0	-100%
Travel & Reimbursed Expense	45210	774	0	2,710	%
Interview Expense	45230	0	360	0	-100%
Employee reimbursed mileage	45240	246	0	450	%
Newspapers	45340	30	0	0	0%
Other Advertising & Promotion	45390	0	1,800	10,500	483%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>		<u>1,050</u>	<u>2,260</u>	<u>15,110</u>	<u>569%</u>
<b>TOTAL SECTION EXPENSES</b>		<u><u>\$247,317</u></u>	<u><u>\$349,160</u></u>	<u><u>\$862,010</u></u>	<u><u>147%</u></u>

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Functions and Work Plans**

Listed below are the department/sections mission statements, relationship to the goals of the Board of Trustees and the general elements of their work plans.

**Executive Vice-President/Chief Operating Officer (COO) – Mission Statement:** To support the mission of the Airport and the goals and objectives of the RTAA Board. The Executive Vice President/COO oversees the daily operations of the Airport and coordinates resource allocation to enhance a manager's ability to do their job.

**Board Goals:** Efficient Airport Operations, Passenger Services and Experience, Maximize Staff Effectiveness, Financial Stability, Air Service Development, Master Development Planning, Stead Airport Operations, Community Relations, and Environmental Responsibility.

**Work Plans:**

- Safe and secure operation of the Airport with timely resolution of issues/ actions.
- Coordinate with airline partners and tenants.
- Enhance the passenger experience by monitoring daily operations and condition of terminal.
- Timely resolution of issues/actions.
- Coordinate staff activities and participate in weekly management meetings.
- Maintain involvement in American Association of Airport Executives for continuing education
- Adoption of budget by Board. Support staff to integrate Board goals and work plans.
- Ensure compliance with Disadvantaged Business Enterprise Program.
- Participate and assist in air service development.
- Participate in long- and short-range planning efforts.
- Safe and secure operation of Reno Stead Airport with timely resolution of issues. Participate in long- and short-range planning efforts.
- Provide Board with timely and accurate information. Participate in Board meetings. Provide Board administrative support.
- Represent the RTAA in the absence of the President/CEO

**Technology and Information Systems – Mission Statement:** To facilitate the implementation, proper use, security, and convenience of information technologies at the RTAA.

**Board Goals:** Efficient Airport Operations, Maximize Staff Effectiveness, and Passenger Services and Experience

**Work Plans:**

- Maintenance and repair activities in the following areas:

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**Functions and Work Plans**

- Computer workstations and printers
- Data communications network infrastructure
- Application and database servers
- System backup and security
- Passenger information systems
- Policy and legal compliance
- Implement new Technology and Information Systems:
  - Stand-Alone Computer Aided Dispatch (CAD) Server
  - Police Portable Data Terminals (PDTs)
  - Diverse Internet Routing
  - Network Intrusion Detection System (IDS)
  - Energy Monitoring (E-MON) Enterprise Upgrade
  - Computer Workstation Replacement
  - Telephone System Replacement

**Reno-Stead Airport – Mission Statement:** A well-trained Reno-Stead staff will provide a safe, well maintained, presentable and efficiently run general aviation airport that specializes in superior customer service.

**Board Goals:** Stead Airport Operations and Maximize Staff Effectiveness

**Work Plans:**

- Maintenance and asset preservation in the following areas:
  - Airfield and Roadway pavement preservation
  - Weed Abatement
  - RTAA Reno Stead vehicle maintenance
  - Airfield and roadway snow removal
  - Landscaping
- Inspect Runway and lighting systems
- Sweep of airfield and roadway surfaces
- Maintain and periodically test emergency generator, and fire sprinkler pump
- Maintain airfield fences and fire breaks
- Assist with the annual air race events
- Provide janitorial service for public facilities
- Continue training of staff
- Support contractors during construction projects
- Maintain building and landscape plumbing systems
- Assist other staff functions in leasing/showing land to other parties
- Assist in emergency operations as appropriate
- Represent the Airport in local meetings as appropriate

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Functions and Work Plans**

**Human Resources – Mission Statement:** In support of the RTAA mission, the Human Resource team works together in a spirit of continuous improvement and collaboration to provide comprehensive human resource services to our customers, thereby increasing organizational effectiveness.

**Board Goals:** Maximize Staff Effectiveness

**Work Plans:**

- Develop policies and programs that reflect the changing cultural and social trends reflected throughout our society.
- Provide support and assistance to those departments that are expected to undergo restructuring and reorganization.
- In recognition that newly reorganized departments will need a strong supervisory function; Human Resources will customize and present the Supervisory Training program to these departmental supervisors.
- Participate in the ACI compensation survey and apply the data to hard to fill organizational positions.
- Implement any applicable initiatives that are generated through legislative health care reform measures.
- Measure key Human Resources functions to provide meaningful and relevant data in support of organizational effectiveness.
- Negotiate the collective bargaining agreement for the Police employees as well as any re-opener articles brought forward from the Fire employees.

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**Executive Vice-President/COO**  
Department Summary

<u>Account Group</u>	<u>2008-09 ACTUAL</u>	<u>2009-10 BUDGET</u>	<u>2010-11 BUDGET</u>	<u>PERCENT CHANGE</u>
Personnel Services	\$ 2,385,496	\$ 2,376,680	\$ 2,575,950	8%
Utilities and Communications	298,204	263,376	252,500	-4%
Purchased Services	294,631	315,533	652,075	107%
Materials and Supplies	178,213	185,950	171,000	-8%
Administrative Expenses	76,638	80,242	92,490	15%
 Total Operating Expenses	 \$ 3,233,182	 \$ 3,221,781	 \$ 3,744,015	 16%
Property, Plant and Equipment	6,393	0	158,400	%
 TOTAL	 <u>\$ 3,239,575</u>	 <u>\$ 3,221,781</u>	 <u>\$ 3,902,415</u>	 <u>21%</u>

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EXECUTIVE VICE-PRESIDENT/COO  
Department 251

	<u>ACCOUNT NO.</u>	<u>2008-09 ACTUAL</u>	<u>2009-10 BUDGET</u>	<u>2010-11 BUDGET</u>	<u>PERCENT CHANGE</u>
<b>PERSONNEL SERVICES</b>					
Permanent Employees	41110	\$216,655	\$278,800	\$390,900	40%
Vacation Pay	41130	32,079	1,900	7,200	279%
Sick Leave	41140	5,374	5,400	5,700	6%
Holiday Pay	41150	18,239	0	0	0%
Comp Time	41160	8,441	0	0	0%
Overtime Pay	41210	520	0	0	0%
Automobile Allowance	41250	7,200	7,200	7,200	0%
Communications Allowance	41300	330	0	0	0%
Medicare	41320	5,979	5,400	5,700	6%
Group Insurance	41340	16,619	19,100	23,100	21%
LTD/Life Insurance	41342	2,332	3,900	4,100	5%
Self Funded Rx	41343	3,094	4,100	5,400	32%
Vision Insurance	41344	419	600	700	17%
Dental Insurance	41347	2,604	3,500	3,600	3%
Workers Comp	41350	539	700	700	0%
Retirement	41360	52,374	58,400	83,100	42%
Benefit Bank Deferred Comp	41430	13,075	0	0	0%
<b>TOTAL PERSONNEL SERVICES</b>		<b>385,873</b>	<b>389,000</b>	<b>537,400</b>	<b>38%</b>
<b>UTILITIES AND COMMUNICATIONS</b>					
Communications	42210	(30)	0	0	0%
<b>TOTAL UTILITIES &amp; COMMUNICATIONS</b>		<b>(30)</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>PURCHASED SERVICES</b>					
Consultants - General	43140	16,159	13,000	13,000	0%
Office Equipment Rental	43210	314	200	500	150%
Freight Expense	43430	178	75	75	0%
<b>TOTAL PURCHASED SERVICES</b>		<b>16,651</b>	<b>13,275</b>	<b>13,575</b>	<b>2%</b>
<b>MATERIALS &amp; SUPPLIES</b>					
Office Supplies	44100	316	500	500	0%
Paper	44110	21	50	50	0%
Postage	44120	9	100	50	-50%
Printing & Forms	44130	195	200	200	0%
Medical Supplies	44270	80	400	300	-25%
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		<b>621</b>	<b>1,250</b>	<b>1,100</b>	<b>-12%</b>

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**EXECUTIVE VICE-PRESIDENT/COO  
Department 251**

	<u>ACCOUNT NO.</u>	<u>2008-09 ACTUAL</u>	<u>2009-10 BUDGET</u>	<u>2010-11 BUDGET</u>	<u>PERCENT CHANGE</u>
<b>ADMINISTRATIVE EXPENSE</b>					
Membership Dues	45110	2,055	1,560	1,560	0%
Conference Registration Fees	45130	2,815	2,500	4,100	64%
Training Expense	45140	325	100	200	100%
Meeting Expense	45150	2,825	2,500	3,000	20%
Travel & Reimbursed Expense	45210	9,582	7,400	14,000	89%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>		<u>17,602</u>	<u>14,060</u>	<u>22,860</u>	<u>63%</u>
<b>TOTAL DEPARTMENT EXPENSES</b>		<u><u>\$420,717</u></u>	<u><u>\$417,585</u></u>	<u><u>\$574,935</u></u>	<u><u>38%</u></u>

**Reno-Tahoe Airport Authority**  
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**HUMAN RESOURCES**  
**Executive Section 252**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
<b>PERSONNEL SERVICES</b>					
Permanent Employees	41110	\$292,874	\$362,000	\$354,500	-2%
Vacation Pay	41130	26,531	700	5,600	700%
Sick Leave	41140	17,181	3,600	4,300	19%
Holiday Pay	41150	17,235	0	0	0%
Comp Time	41160	692	0	0	0%
Incentive Awards	41260	10,294	10,200	9,300	-9%
Service Awards	41270	5,780	3,330	7,100	113%
Communications Allowance	41300	103	0	0	0%
Physical Exam Expense	41310	16,716	31,000	29,600	-5%
Medicare	41320	5,152	5,200	5,100	-2%
Wellness Program	41330	20,823	4,200	4,650	11%
Group Insurance	41340	34,760	40,000	25,400	-37%
PEBP Subsidy	41341	220,876	350,000	215,000	-39%
LTD/Life Insurance	41342	3,397	3,300	3,200	-3%
Self Funded Rx	41343	47,056	7,400	5,900	-20%
Vision Insurance	41344	2,797	900	800	-11%
Dental Insurance	41347	4,182	5,600	3,800	-32%
Section 125 Flex Plan	41349	7,759	4,500	4,800	7%
Workers Comp	41350	898	1,100	1,000	-9%
Retirement	41360	70,881	74,600	73,300	-2%
Unemployment	41370	67,888	18,000	75,000	317%
Benefit Bank Deferred Comp	41430	14,271	0	0	0%
<b>TOTAL PERSONNEL SERVICES</b>		<b>888,146</b>	<b>925,630</b>	<b>828,350</b>	<b>-11%</b>
<b>PURCHASED SERVICES</b>					
Consultants - General	43140	4,420	0	0	0%
Other Professional Services	43190	10,425	12,050	12,050	0%
Office Equipment Rental	43210	3,603	3,200	3,600	13%
Freight Expense	43430	287	150	150	0%
Permits and Recorders Fees	43460	1,524	0	1,600	%
Other Purchased Services	43490	2,210	3,050	2,850	-7%
<b>TOTAL PURCHASED SERVICES</b>		<b>22,469</b>	<b>18,450</b>	<b>20,250</b>	<b>10%</b>
<b>MATERIALS &amp; SUPPLIES</b>					
Office Supplies	44100	2,725	2,200	2,200	0%
Paper	44110	504	800	500	-38%
Postage	44120	595	800	800	0%
Printing & Forms	44130	490	1,500	1,000	-33%
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		<b>4,314</b>	<b>5,300</b>	<b>4,500</b>	<b>-15%</b>

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**HUMAN RESOURCES  
Executive Section 252**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
<b>ADMINISTRATIVE EXPENSE</b>					
Membership Dues	45110	1,638	2,250	4,740	111%
Books & Subscriptions	45120	895	997	1,200	20%
Conference Registration Fees	45130	2,245	9,445	7,400	-22%
Training Expense	45140	1,032	1,000	800	-20%
Organizational Training	45141	1,767	5,600	12,800	129%
Meeting Expense	45150	483	500	400	-20%
Tuition Reimbursement	45160	19,387	20,000	19,000	-5%
Accreditation Incentive Progra	45180	0	4,500	3,000	-33%
Travel & Reimbursed Expense	45210	4,427	7,550	6,400	-15%
Interview Expense	45230	13,043	2,745	3,390	23%
Newspapers	45340	7,951	6,000	4,000	-33%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>		<b>52,868</b>	<b>60,587</b>	<b>63,130</b>	<b>4%</b>
<b>TOTAL SECTION EXPENSES</b>		<b>\$967,797</b>	<b>\$1,009,967</b>	<b>\$916,230</b>	<b>-9%</b>

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**TECHNOLOGY AND INFORMATION SYSTEMS  
Executive Section 253**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
<b>PERSONNEL SERVICES</b>					
Permanent Employees	41110	\$353,786	\$405,800	\$473,800	17%
Vacation Pay	41130	32,544	1,200	6,700	458%
Sick Leave	41140	18,040	7,700	7,100	-8%
Holiday Pay	41150	20,099	0	0	0%
Overtime Pay	41210	2,758	4,000	3,000	-25%
Overtime Call Back	41213	281	0	0	0%
Shift Differential	41230	28	0	0	0%
Communications Allowance	41300	485	0	0	0%
Medicare	41320	5,958	5,900	6,900	17%
Group Insurance	41340	38,170	41,600	43,200	4%
LTD/Life Insurance	41342	4,195	4,500	5,600	24%
Self Funded Rx	41343	5,833	7,700	10,100	31%
Vision Insurance	41344	899	1,300	1,500	15%
Dental Insurance	41347	4,222	6,200	6,600	6%
Workers Comp	41350	2,156	2,600	2,700	4%
Retirement	41360	83,168	87,400	102,000	17%
Uniform Allowance	41380	0	250	100	-60%
Benefit Bank Deferred Comp	41430	16	0	0	0%
<b>TOTAL PERSONNEL SERVICES</b>		<b>572,638</b>	<b>576,150</b>	<b>669,300</b>	<b>16%</b>
<b>UTILITIES AND COMMUNICATIONS</b>					
Water	42130	26	200	0	-100%
Communications	42210	223,841	187,176	174,300	-7%
<b>TOTAL UTILITIES &amp; COMMUNICATIONS</b>		<b>223,867</b>	<b>187,376</b>	<b>174,300</b>	<b>-7%</b>
<b>PURCHASED SERVICES</b>					
Data Processing	43130	194,341	244,430	351,300	44%
Office Equipment Rental	43210	48	0	205,200	%
Contracted Services	43340	38,877	0	0	0%
Other Repair/Maintenance Svcs	43390	9,227	21,628	11,400	-47%
Freight Expense	43430	484	200	750	275%
<b>TOTAL PURCHASED SERVICES</b>		<b>242,977</b>	<b>266,258</b>	<b>568,650</b>	<b>114%</b>
<b>MATERIALS &amp; SUPPLIES</b>					
Office Supplies	44100	6,743	41,100	0	-100%
Paper	44110	226	200	300	50%
Postage	44120	58	400	0	-100%
Printing & Forms	44130	33	0	0	0%

**Reno-Tahoe Airport Authority**  
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**TECHNOLOGY AND INFORMATION SYSTEMS**  
**Executive Section 253**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
Small Tools - Minor Equipmen	44400	11,414	2,000	2,000	0%
Office Small Equipment	44410	37,947	17,650	31,100	76%
Employee Safety Equipment	44450	181	250	250	0%
Telephone Equipment and Lat	44460	30,820	14,750	15,950	8%
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		<b>87,422</b>	<b>76,350</b>	<b>49,600</b>	<b>-35%</b>
<b>ADMINISTRATIVE EXPENSES</b>					
Membership Dues	45110	325	150	300	100%
Books & Subscriptions	45120	1,028	500	500	0%
Conference Registration Fees	45130	795	695	700	1%
Training Expense	45140	1,042	400	800	100%
Meeting Expense	45150	65	0	0	0%
Travel & Reimbursed Expense	45210	2,504	1,900	1,800	-5%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>		<b>5,759</b>	<b>3,645</b>	<b>4,100</b>	<b>12%</b>
<b>TOTAL EXPENSES BEFORE FIXED ASSETS</b>		<b>1,132,663</b>	<b>1,109,779</b>	<b>1,465,950</b>	<b>32%</b>
<b>FIXED ASSETS</b>					
Fixed Asset Acquisition	48150	2,418	0	17,400	%
<b>TOTAL SECTION EXPENSES</b>		<b>\$1,135,081</b>	<b>\$1,109,779</b>	<b>\$1,483,350</b>	<b>34%</b>

**Reno-Tahoe Airport Authority  
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**RENO STEAD AIRPORT  
Executive Section 254**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
<b>PERSONNEL SERVICES</b>					
Permanent Employees	41110	\$322,410	\$331,400	\$370,200	12%
Vacation Pay	41130	33,114	1,200	3,200	167%
Sick Leave	41140	19,718	9,800	8,800	-10%
Holiday Pay	41150	14,067	0	0	0%
Overtime Pay	41210	8,814	5,500	6,000	9%
Overtime Call Back	41213	526	0	500	%
Standby	41220	300	0	500	%
Shift Differential	41230	924	1,000	1,000	0%
Holiday worked Pay	41280	5,681	4,000	5,000	25%
Communications Allowance	41300	180	0	0	0%
Medicare	41320	4,577	4,000	4,500	13%
Group Insurance	41340	30,639	33,300	34,000	2%
LTD/Life Insurance	41342	3,275	3,400	3,800	12%
Self Funded Rx	41343	5,352	6,200	8,000	29%
Vision Insurance	41344	1,130	1,500	1,600	7%
Dental Insurance	41347	4,222	5,200	5,100	-2%
Workers Comp	41350	8,639	6,900	8,100	17%
Retirement	41360	72,625	71,000	78,600	11%
Uniform Allowance	41380	1,831	1,500	2,000	33%
Benefit Bank Deferred Comp	41430	815	0	0	0%
<b>TOTAL PERSONNEL SERVICES</b>		<b>538,839</b>	<b>485,900</b>	<b>540,900</b>	<b>11%</b>
<b>UTILITIES AND COMMUNICATIONS</b>					
Electricity	42110	35,546	35,000	38,000	9%
Natural Gas	42120	5,435	13,000	12,000	-8%
Water	42130	9,242	10,000	10,000	0%
Sewer	42140	19,000	14,000	14,000	0%
Solid Waste Disposal	42150	2,053	3,000	3,200	7%
Hazardous Waste Disposal	42180	525	1,000	1,000	0%
Communications	42210	2,566	0	0	0%
<b>TOTAL UTILITIES &amp; COMMUNICATIONS</b>		<b>74,367</b>	<b>76,000</b>	<b>78,200</b>	<b>3%</b>
<b>PURCHASED SERVICES</b>					
Consultants - General	43140	0	2,500	2,500	0%
Other Professional Services	43190	0	0	1,000	%
Office Equipment Rental	43210	1,569	1,000	1,400	40%
Equipment Rental	43211	0	1,000	1,000	0%
Contracted Services	43340	8,413	6,500	32,000	392%

**Reno-Tahoe Airport Authority  
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**RENO STEAD AIRPORT  
Executive Section 254**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
Other Repair/Maintenance Svc	43390	239	1,000	5,000	400%
Freight Expense	43430	245	300	300	0%
Permits & Recorders Fees	43460	1,739	250	1,400	460%
Other Purchased Services	43490	329	5,000	5,000	0%
<b>TOTAL PURCHASED SERVICES</b>		<b>12,534</b>	<b>17,550</b>	<b>49,600</b>	<b>183%</b>
<b>MATERIALS &amp; SUPPLIES</b>					
Office Supplies	44100	1,193	1,000	2,200	120%
Paper	44110	131	500	0	-100%
Postage	44120	646	500	500	0%
Printing & Forms	44130	1,385	500	1,000	100%
Oil and Lubricants	44210	1,717	2,200	2,400	9%
Chemicals	44220	0	300	300	0%
Herbicides	44221	11,154	10,000	10,000	0%
Fertilizer	44222	720	1,000	1,000	0%
Auto Fuel	44230	6,957	6,500	8,000	23%
Diesel Fuel	44240	3,010	5,800	8,500	47%
Janitorial Paper Supplies	44250	176	0	500	%
Janitorial Supplies	44260	247	600	600	0%
Medical Supplies	44270	41	350	300	-14%
Trash Can Liners	44280	264	0	0	0%
Other Operating Supplies	44290	1,029	0	0	0%
Repair & Maintenance Supply	44300	2,058	0	3,000	%
Vehicles	44310	4,298	3,500	4,000	14%
Heating & Air Conditioning	44320	525	250	250	0%
Machinery	44330	11,683	6,500	10,600	63%
Locks & Hardware	44333	501	500	500	0%
Seeds, Plants & Trees	44340	136	200	200	0%
Plumbing Supplies	44350	0	1,000	1,100	10%
Electrical Supplies	44360	1,730	1,000	3,000	200%
Runway/Taxiway	44361	1,189	0	0	0%
Ramp Lighting	44362	0	1,000	1,000	0%
Lumber & Building Supplies	44370	340	350	350	0%
Paint Supplies	44380	2,951	3,000	5,000	67%
Other Repairs-Maint Supplies	44390	5,358	8,000	8,000	0%
Small Tools - Minor Equipment	44400	243	0	1,000	%
Sign and Sign Maintenance	44430	733	1,000	1,000	0%
Employee Safety Equipment	44450	1,751	1,000	1,500	50%
Asphalt & Cement	44510	9,788	15,000	15,000	0%
Patch Material	44513	240	500	2,000	300%

**Reno-Tahoe Airport Authority  
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**RENO STEAD AIRPORT  
Executive Section 254**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
Runways/taxiway Repair	44530	10,504	25,000	20,000	-20%
Fence and Gate Repair Parts	44540	3,158	6,000	3,000	-50%
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		85,856	103,050	115,800	12%
<b>ADMINISTRATIVE EXPENSE</b>					
Membership Dues	45110	65	50	50	0%
Conference Registration Fees	45130	120	400	500	25%
Training Expense	45140	0	1,000	1,250	25%
Meeting Expense	45150	224	500	600	20%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>		409	1,950	2,400	23%
<b>TOTAL EXPENSES BEFORE FIXED ASSETS</b>		712,005	684,450	786,900	15%
<b>FIXED ASSETS</b>					
Fixed Asset Acquisition	48150	3,975	0	141,000	%
<b>TOTAL SECTION EXPENSES</b>		<u>\$715,980</u>	<u>\$684,450</u>	<u>\$927,900</u>	<u>36%</u>

**Reno-Tahoe Airport Authority**  
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**Functions and Work Plans**

Listed below are the department/sections mission statements, relationship to the goals of the Board of Trustees and the general elements of their work plans.

**Accounting and Administration – Mission Statement:** To provide accurate and timely financial and statistical information to our customers; maintain a strong cash management system; maximize investment earnings; bill and collect revenue; and provide timely paying of bills. This section is responsible for maintenance, reporting, and management of all accounting services in support of the Authority's financial goals and objectives.

**Board Goals:** Financial Stability, Maximize Staff Effectiveness

**Work Plans:**

- Process accounts payable twice a month, ensure vendors are paid timely and accurately, and review invoices for appropriateness.
- Prepare accounts receivable invoices twice monthly. The outstanding accounts receivable are maintained at a level of 3% or less. Conduct monthly meetings to review outstanding accounts receivable. Report to Executive Management all outstanding amounts over 60 days.
- Complete Payrolls biweekly.
- Compile statistical reports monthly and review for accuracy.
- Record and track fixed assets including construction in progress.
- Coordinate staff member work with independent auditors to compile the annual financial statements.
- Ensure that cash flows meet RTAA needs while maximizing investment opportunities.
- Reconcile all bank balances and resolve outstanding issues.
- Conduct employee evaluations in a timely manner.
- Set training goals and encourage all staff to take advantage of all appropriate RTAA in house training opportunities.
- Attend industry seminars and keep current on official pronouncements of accounting practice.
- Perform analytical reviews and reports for Executive Management, including the issuance of quarterly financial statements starting in FY 2010-11
- Participates in RTAA committees such as Labor Management Committee, Strategic Planning.
- Continue the implementation of the accounting software and complete integration of all modules. Resolve issues and enhance financial reporting.
- Enhance financial reporting to staff and executive management.

**Reno-Tahoe Airport Authority  
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Functions and Work Plans**

**Purchasing and Materials Management– Mission Statement:** To ensure that all materials, supplies, equipment, and services required to operate Reno-Tahoe International and Reno Stead Airports are acquired in a timely manner, at the lowest possible cost, consistent with the quality required, and in compliance with all applicable procurement legislation.

**Board Goals:** Financial Stability, Maximize Staff Effectiveness, and Passenger Services and Experience

**Work Plans:**

- Purchase materials, supplies, equipment and services needed for day-to-day operation in a timely, cost effective manner in compliance with applicable laws.
- Comply with the requirements for competitive bidding contained in NRS 332 and 338 and the Airport Improvement Project Handbook by preparing equipment, concession, small capital projects, AIP-funded bids, and maintenance bids and proposal requests that are budgeted in the Fiscal Year 2010-11 budget.
- Continue to inventory stored property and assist Departments/Divisions in identifying the property for continued storage, addition to stock, or disposal.
- Continue to review items in warehouse inventory to establish appropriate items and stock levels.
- Continue to team support utilization of the MAS500 Purchasing module.
- Continue to team support utilization of the MAS500 inventory and fixed asset modules.
- Continue monitoring usage of and updates to the Bank of America Works procurement card system and its interface with the MAS500 system.
- Continue to receive and issue materials and supplies for work order-based purchases.
- Order and receive stock inventory to support RTAA maintenance and operation.
- Maintain and operate storeroom, stock locations and bins on a daily on-going basis.
- Prepare and dispose of surplus property in bi-annual auctions in accordance with statutory requirements

**Finance and Budgeting – Mission Statement:** To provide exceptional financial analysis and budgeting, as well as provide the funding needed to develop the RTAA airports.

**Board Goals:** Financial Stability, Maximize Staff Effectiveness

**Work Plans:**

- Coordinate the Authority’s annual operating budget including the forecast of revenues to assist in the establishment of expenditure targets.
- Obtain the Governmental Finance Officer Association “Distinguished Budget Presentation” award.

**Reno-Tahoe Airport Authority**  
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**Functions and Work Plans**

- Prepare and present the monthly Operating Statements at monthly Finance Committee meetings.
- Minimize growth in Cost Per Enplanement, airline rate setting, mid year review, and year end settlement completed and presented to the RTAA Board and airlines
- Update FAA Grants status reports, assist with annual Single Audit, and administer PFC program as required.
- Complete Passenger Facility Charge (PFC) Application #11.
- Complete all airline rate analysis and settlement calculations including incorporation of the new baggage handling system.
- Implement the new airline rates and charges methodology established in the recently completed airline use and lease agreement to all financial models.
- Review Board memo fiscal impacts, and other analyses as requested.
- Attend Strategic Planning and Project Review Committee meetings, and report on project expenditures as requested.
- Complete insurance applications, provide insurance company tours, administer RTAA liability claims, and review RTAA contract insurance requirements.
- Prepare a Request for Proposal and negotiate a new agreement to provide insurance brokerage services.
- Complete implementation and provide staff training for the new computerized Financial Information System
- Perform analytical reviews and reports for Executive Management.
- Complete implementation and expand use of features offered in the new accounting software. Resolve issues and enhance financial reporting.
- Each staff member will work with independent auditors to compile the annual financial statements
- Assure that cash flows meet RTAA needs
- Conduct employee evaluations in a timely manner
- Set training goals and encourage all staff to take advantage of all appropriate RTAA in house training opportunities
- Attend industry seminars and keep current on official pronouncements of accounting practice
- Perform analytical reviews and reports for Executive Management.
- Completion and fine tuning of the accounting software. Resolve issues and enhance financial reporting

**Reno-Tahoe Airport Authority**  
**2010-11**  
**ANNUAL BUDGET**  
**Finance and Administration**  
**Department Summary**

<b>Account Group</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
Personnel Services	\$ 1,248,116	\$ 1,257,850	\$ 1,344,450	7%
Utilities and Communications	0	2,500	0	-100%
Purchased Services	174,165	165,030	133,370	-19%
Materials and Supplies	21,655	21,076	24,600	17%
Administrative Expenses	15,113	11,450	30,685	168%
<b>Total Operating Expenses</b>	<b>\$ 1,459,049</b>	<b>\$ 1,457,906</b>	<b>\$ 1,533,105</b>	<b>5%</b>
Property, Plant and Equipment	0	0	0	15,936
<b>TOTAL</b>	<b>\$ 1,459,049</b>	<b>\$ 1,457,906</b>	<b>\$ 1,533,105</b>	<b>5%</b>

**Reno-Tahoe Airport Authority  
2010-11  
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**ACCOUNTING AND ADMINISTRATION  
Department 302**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
<b>PERSONNEL SERVICES</b>					
Permanent Employees	41110	\$378,736	\$423,500	\$485,700	15%
Temporary Employees	41120	3,731	3,000	0	-100%
Vacation Pay	41130	33,907	1,000	5,100	410%
Sick Leave	41140	10,315	9,100	7,500	-18%
Holiday Pay	41150	20,623	0	0	0%
Comp Time	41160	5,980	0	0	0%
Overtime Pay	41210	177	500	400	-20%
Holiday worked Pay	41280	254	0	0	0%
Communications Allowance	41300	103	0	0	0%
Medicare	41320	5,298	6,100	7,000	15%
FICA	41321	114	0	0	0%
Wellness Program	41330	200	0	0	0%
Group Insurance	41340	44,524	48,600	47,300	-3%
LTD/Life Insurance	41342	4,094	4,700	5,800	23%
Self Funded Rx	41343	7,364	9,000	11,100	23%
Vision Insurance	41344	954	1,300	1,500	15%
Dental Insurance	41347	6,352	7,400	7,400	0%
Workers Comp	41350	1,078	1,400	1,500	7%
Retirement	41360	83,414	89,200	102,700	15%
Benefit Bank Deferred Comp	41430	4,607	0	0	0%
<b>TOTAL PERSONNEL SERVICES</b>		<b>611,825</b>	<b>604,800</b>	<b>683,000</b>	<b>13%</b>
<b>PURCHASED SERVICES</b>					
Accounting and Auditing	43120	75,000	77,000	61,000	-21%
Data Processing	43130	1,170	0	0	0%
Trustee & Paying Agent Fees	43180	20,833	20,000	10,000	-50%
Office Equipment Rental	43210	2,764	2,100	3,195	52%
Freight Expense	43430	97	400	400	0%
Other Purchased Services	43490	18,966	13,480	8,275	-39%
<b>TOTAL PURCHASED SERVICES</b>		<b>118,830</b>	<b>112,980</b>	<b>94,320</b>	<b>-17%</b>
<b>MATERIALS &amp; SUPPLIES</b>					
Office Supplies	44100	5,192	3,000	4,000	33%
Paper	44110	643	1,000	800	-20%
Postage	44120	2,104	2,376	2,400	1%
Printing & Forms	44130	2,112	2,500	2,000	-20%
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		<b>10,051</b>	<b>8,876</b>	<b>9,200</b>	<b>4%</b>

**Reno-Tahoe Airport Authority  
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**ACCOUNTING AND ADMINISTRATION  
Department 302**

	<u>ACCOUNT NO.</u>	<u>2008-09 ACTUAL</u>	<u>2009-10 BUDGET</u>	<u>2010-11 BUDGET</u>	<u>PERCENT CHANGE</u>
<b>ADMINISTRATIVE EXPENSES</b>					
Membership Dues	45110	1,385	975	1,565	61%
Books & Subscriptions	45120	229	250	350	40%
Conference Registration Fees	45130	0	225	1,300	478%
Training Expense	45140	379	300	2,300	667%
Meeting Expense	45150	423	0	400	%
Travel & Reimbursed Expense	45210	536	2,400	5,740	139%
Relocation Expense	45220	3,787	0	0	0%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>		<u>6,739</u>	<u>4,150</u>	<u>11,655</u>	<u>181%</u>
<b>TOTAL DEPARTMENT EXPENSES</b>		<u><u>\$747,445</u></u>	<u><u>\$730,806</u></u>	<u><u>\$798,175</u></u>	<u><u>9%</u></u>

Reno-Tahoe Airport Authority  
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PURCHASING AND MATERIALS MANAGEMENT  
Section 303

	ACCOUNT NO.	2008-09 ACTUAL	2009-10 BUDGET	2010-11 BUDGET	PERCENT CHANGE
<b>PERSONNEL SERVICES</b>					
Permanent Employees	41110	\$247,873	\$294,600	\$300,200	2%
Vacation Pay	41130	27,337	2,000	5,500	175%
Sick Leave	41140	6,834	10,300	8,900	-14%
Holiday Pay	41150	14,021	0	0	0%
Overtime Pay	41210	106	1,000	500	-50%
Communications Allowance	41300	150	0	0	0%
Medicare	41320	2,098	2,100	2,200	5%
Group Insurance	41340	34,535	37,600	32,100	-15%
LTD/Life Insurance	41342	3,206	3,300	3,600	9%
Self Funded Rx	41343	5,212	6,900	7,400	7%
Vision Insurance	41344	601	900	900	0%
Dental Insurance	41347	6,155	5,100	4,500	-12%
Workers Comp	41350	3,413	3,900	3,800	-3%
Retirement	41360	58,031	60,700	62,200	2%
Uniform Allowance	41380	265	750	750	0%
Benefit Bank Deferred Comp	41430	11,008	0	0	0%
<b>TOTAL PERSONNEL SERVICES</b>		<b>420,845</b>	<b>429,150</b>	<b>432,550</b>	<b>1%</b>
<b>UTILITIES AND COMMUNICATIONS</b>					
Solid Waste Disposal	42150	0	2,500	0	-100%
<b>TOTAL UTILITIES &amp; COMMUNICATIONS</b>		<b>0</b>	<b>2,500</b>	<b>0</b>	<b>-100%</b>
<b>PURCHASED SERVICES</b>					
Office Equipment Rental	43210	3,745	5,000	5,000	0%
Contracted Services	43340	2,535	3,000	3,000	0%
Other Repair/Maintenance Svcs	43390	0	400	400	0%
Freight Expense	43430	2,423	4,500	3,500	-22%
Permits & Recorders Fees	43460	0	150	150	0%
<b>TOTAL PURCHASED SERVICES</b>		<b>8,703</b>	<b>13,050</b>	<b>12,050</b>	<b>-8%</b>
<b>MATERIALS &amp; SUPPLIES</b>					
Office Supplies	44100	1,922	3,000	2,000	-33%
Paper	44110	195	450	250	-44%
Postage	44120	1	300	200	-33%
Printing & Forms	44130	409	1,500	1,000	-33%
Medical Supplies	44270	117	350	200	-43%
Other Operating Supplies	44290	81	0	0	0%
Machinery	44330	0	300	200	-33%
Small Tools - Minor Equipment	44400	28	1,000	7,000	600%

**Reno-Tahoe Airport Authority  
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**PURCHASING AND MATERIALS MANAGEMENT  
Section 303**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
Maintenance	44420	22	0	0	0%
Office Small Equipment	44410	0	1,000	300	-70%
Employee Safety Equipment	44450	113	500	500	0%
Purchase Price Variance	44750	980	0	0	0%
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		<b>3,868</b>	<b>8,400</b>	<b>11,650</b>	<b>39%</b>
<b>ADMINISTRATIVE EXPENSES</b>					
Membership Dues	45110	635	1,000	1,030	3%
Books & Subscriptions	45120	0	100	450	350%
Conference Registration Fees	45130	0	0	2,250	%
Training Expense	45140	0	1,000	600	-40%
Travel & Reimbursed Expense	45210	1,116	0	4,500	%
Publications	45320	499	0	0	0%
Newspapers	45340	1,100	3,000	2,000	-33%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>		<b>3,350</b>	<b>5,100</b>	<b>10,830</b>	<b>112%</b>
<b>TOTAL SECTION EXPENSES</b>		<b>\$436,766</b>	<b>\$458,200</b>	<b>\$467,080</b>	<b>2%</b>

**Reno-Tahoe Airport Authority  
2010-11  
ANNUAL BUDGET**

**FINANCE AND BUDGETING  
Section 305**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
<b>PERSONNEL SERVICES</b>					
Permanent Employees	41110	\$131,211	\$156,300	\$161,100	3%
Vacation Pay	41130	14,153	900	2,800	211%
Sick Leave	41140	2,458	3,200	3,100	-3%
Holiday Pay	41150	8,346	0	0	0%
Comp Time	41160	5,036	0	0	0%
Medicare	41320	2,073	2,300	2,400	4%
Group Insurance	41340	14,308	18,100	15,400	-15%
LTD/Life Insurance	41342	1,637	1,900	2,100	11%
Self Funded Rx	41343	2,490	3,400	3,600	6%
Vision Insurance	41344	358	500	500	0%
Dental Insurance	41347	2,170	2,900	2,600	-10%
Workers Comp	41350	359	500	400	-20%
Retirement	41360	30,643	33,900	34,900	3%
Benefit Bank Deferred Comp	41430	204	0	0	0%
<b>TOTAL PERSONNEL SERVICES</b>		<b>215,446</b>	<b>223,900</b>	<b>228,900</b>	<b>2%</b>
<b>PURCHASED SERVICES</b>					
Consultants - General	43140	44,714	35,000	25,000	-29%
Office Equipment Rental	43210	1,615	1,900	1,900	0%
Contracted Services	43340	0	2,000	0	-100%
Freight Expense	43430	303	100	100	0%
<b>TOTAL PURCHASED SERVICES</b>		<b>46,632</b>	<b>39,000</b>	<b>27,000</b>	<b>-31%</b>
<b>MATERIALS &amp; SUPPLIES</b>					
Office Supplies	44100	3,141	400	1,000	150%
Paper	44110	57	200	150	-25%
Postage	44120	281	200	200	0%
Printing & Forms	44130	4,103	2,500	2,400	-4%
Office Small Equipment	44410	154	500	0	-100%
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		<b>7,736</b>	<b>3,800</b>	<b>3,750</b>	<b>-1%</b>
<b>ADMINISTRATIVE EXPENSE</b>					
Membership Dues	45110	1,805	1,600	1,600	0%
Books & Subscriptions	45120	331	300	400	33%
Conference Registration Fees	45130	1,130	0	1,000	%
Training Expense	45140	0	200	2,200	1000%
Meeting Expense	45150	61	100	100	0%

**Reno-Tahoe Airport Authority  
2010-11  
ANNUAL BUDGET**

**FINANCE AND BUDGETING  
Section 305**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
Travel & Reimbursed Expense	45210	1,583	0	2,900	%
Newspapers	45340	114	0	0	0%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>		<b>5,024</b>	<b>2,200</b>	<b>8,200</b>	<b>273%</b>
<b>TOTAL SECTION EXPENSES</b>		<b>\$274,838</b>	<b>\$268,900</b>	<b>\$267,850</b>	<b>0%</b>

**Reno-Tahoe Airport Authority**  
**2010-11**  
**ANNUAL BUDGET**

**NONDEPARTMENTAL**  
Department 900

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
<b>PERSONNEL SERVICES</b>					
Permanent Employees	41110	\$0	\$0	\$150,000	%
Temporary Employees	41120	0	(300,000)	(300,000)	0%
Group Insurance	41340	(134,429)	0	0	0%
PEBP Subsidy	41341	127,070	0	0	0%
Post Employment Health Plan	41410	0	75,000	75,000	0%
<b>TOTAL PERSONNEL SERVICES</b>		(7,359)	(225,000)	(75,000)	0%
<b>UTILITIES AND COMMUNICATIONS</b>					
Communications	42210	5,509	0	0	0%
<b>TOTAL UTILITIES &amp; COMMUNICATIONS</b>		5,509	0	0	0%
<b>PURCHASED SERVICES</b>					
Other Professional Services	43190	355,363	30,000	30,000	0%
Air Service Studies	43193	0	130,000	130,000	0%
Office Equipment Rental	43210	72	0	0	0%
Contracted Services	43340	78,800	0	0	0%
Freight Expense	43430	293	0	0	0%
<b>TOTAL PURCHASED SERVICES</b>		434,528	160,000	160,000	0%
<b>MATERIALS &amp; SUPPLIES</b>					
Postage	44120	1,516	0	0	0%
Office Supplies	44100	199	0	0	0%
Paper	44110	1,523	0	0	0%
Inventory Adjustments	44292	(14,967)	0	0	0%
Small Tools - Minor Equipment	44400	21,120	0	0	0%
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		9,391	0	0	0%
<b>ADMINISTRATIVE EXPENSE</b>					
Travel & Reimbursed Expense	45210	678	25,000	0	-100%
Air Service Development	45350	348,697	116,100	152,700	32%
Miscellaneous Expense	45370	6,335	0	0	0%
Other Advertising & Promotion	45390	0	50,000	50,000	0%
Airport Liability	45410	212,052	228,400	182,800	-20%
Vehicle Liability	45420	46,461	49,200	50,400	2%
Bonds Employees/Officers	45440	8,595	8,900	9,000	1%
Buildings & Contents	45450	500,483	526,800	533,300	1%
Public Officials Liability	45460	96,247	105,600	92,600	-12%

**Reno-Tahoe Airport Authority  
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**NONDEPARTMENTAL  
Department 900**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
Police Liability	45470	108,020	113,400	102,600	-10%
Other Insurance	45490	38,067	50,000	50,000	0%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>		1,365,635	1,273,400	1,223,400	-4%
<b>FIXED CHARGES</b>					
Int Exp Revenue Bonds 1996B	71100	20,075	0	0	0%
Interest Expense - 2002 Bonds	71110	197,512	0	0	0%
Int Exp 2003 ref Bonds	71120	968,750	813,250	416,500	-49%
Int Exp 2005 ref Bonds	71130	1,402,288	1,375,475	1,335,400	-3%
Amort of Bond Premium 2002	71410	(128,944)	0	0	0%
Amort of Bond Premium 2003	71420	(269,205)	0	0	0%
Amort of Bond Premium 2005	71430	(74,571)	0	0	0%
Amort of Loss - 2003 Refundin	71721	187,084	0	0	0%
2002 Interest	71110	395,438	0	0	0%
<b>TOTAL FIXED CHARGES</b>		2,698,427	2,188,725	1,751,900	-20%
<b>TOTAL SECTION EXPENSES</b>		\$4,506,131	\$3,397,125	\$3,060,300	-10%

**Reno-Tahoe Airport Authority  
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Functions and Work Plans**

Listed below are the department/sections mission statements, relationship to the goals of the Board of Trustees and the general elements of their work plans.

**Vice-President of Operations and Public Safety – Mission Statement:** Ensure leadership and direction in managing, coordinating and integrating all aspects of landside, terminal, airside and general aviation operations in compliance with safety and security regulations for an efficient, safe and seamless experience for all Airport users.

**Board Goals:** Efficient Airport Operations, Passenger Services and Experience

**Work Plans:**

- Provide direction and support for the Airside Operations Division.
- Provide direction and support for the Landside Operations Division.
- Provide direction and support for the Airport Rescue and Fire Division.
- Provide direction and support for the Police and Security Division.
- Provide direction and support for the Airport Communications Division.

**Airside Operations – Mission Statement:** Ensure a safe and efficient means of integrated transportation for the public within the Reno-Tahoe Airport Authority system; ensure compliance with 14 CFR Part 139 of the Federal Aviation Regulations; provide effective communications support to RTAA staff, tenants, customers, and supporting entities; prepared to act decisively to protect life and property by organizing appropriate responses to events at RTAA.

**Board Goals:** Efficient Airport Operations, Maximize Staff Effectiveness, Passenger Services and Experience

**Work Plans:**

- Ensure airport is continually in compliance with 14 CFR 139 FAA Certification of Airports and FAA Certification Inspection is passed.
- Represent the President/CEO on routine and emergency matters during non-business hours. Ensure the continuing operation of the airport during non-business hours.
- Provide job-related training to include training on the new systems and requirements in the Operations; provide cross-familiarization training to elevate knowledge and skills; prepare and present training on operations in movement areas and other topics.
- Mitigate the risk of bird strikes and animal strikes. Manage the population of wildlife on the Airfield in accordance with the Wildlife Hazard Plan.
- Identify and implement opportunities to improve runway and ramp safety.
- Revise driving regulations and consolidate rules and regulations.
- Conduct training on Safety Management System (SMS) and Operational Risk Management. Assess and mitigate hazards.
- Lead and organize the planning and training for the Triennial Exercise in May, 2011.
- Prepare and execute the operations and emergency management functions in the Triennial Exercise.

**Reno-Tahoe Airport Authority**  
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**Functions and Work Plans**

- Manage Emergency Operations Center (EOC) during emergencies. Provide National Incident Management System (NIMS) training to staff. Administer WebEOC.
- Improve Snow and Ice Control processes. Attend the International Snow Symposium.
- Provide daily reports on the results of the self-inspection program and verify corrections of deficiencies.
- Effectively manage ramp space to meet air carrier, cargo, GA, and Customs/Immigration operations.
- Ensure Operations representation during planning and execution of construction activities. Ensure proper notification of airfield construction activities. Maintain a safe operations area for aircraft operations and construction.
- Maintain professional certifications.
- Provide for the consistent and accurate communications while performing high confidence in Airport Communications reliability across all shifts.
- Perform high standard customer service and responsiveness to our airport staff and external customers.
- Ensure all team members are capable of independently facilitating communications for the first 45 minutes of an Alert III response, and capable of operating communications as part of the incident command staff in the MCV.
- Dispatch all routine and emergency calls for police, security, operations, fire and maintenance. Monitor and maintain radio traffic on seven (7) radio channels, make notifications to management and tenants using email and InfoRad paging system. Log all calls for service in a Computer Aided Dispatch computer program.
- Provide job-related training, including training on the new systems and requirements in the Airport Communications Center; provide cross-familiarization training to elevate knowledge and skills.
- Prepare, and execute communication functions in the Triennial Exercise.
- Prepare and perform Snow Desk duties.
- Activate emergency alert notifications, recall essential personnel, and open the EOC.
- Provide seamless communications support from the Mobile Command Vehicle.
- Complete construction/installation on the upgrade/replacement of the Airport's Access Control System (ACS) and audio recording system.
- Provide user training on the 800 MHz radios.
- Administer the Authority's 800 MHz radio system and participation in the inter-agency program.
- Monitor door alarms and access control points, verify badge access and print access point reports upon request; dispatch police and/or security to access control point violations.
- Operate airport telephone paging system, answer questions from the public, direct operational phone inquiries, and operate direct phone lines with the FAA Tower and Airport Fire and Rescue Division.
- Monitor Fire Alarm System for the terminal building, parking structures, U.S. Customs building and airfield maintenance.
- Advise airlines of ramp freezes and other emergency situations using the airline ring down telephone system.

**Reno-Tahoe Airport Authority  
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Functions and Work Plans**

- Monitor and operate the National Crime Information Center computer for incoming information from outside police agencies and for the Department of Homeland Security bulletins.
- Maintain software and hardware for C-Cures (transitioning to ACAMS/Lenel), WebEOC and CCTV equipment. Project management for various projects.

**Landside Operations – Mission Statement:** To enhance parking and ground transportation revenue, provide exceptional customer service to all Landside Operations end users, and maximize technological advances to ensure efficient and effective operations.

**Board Goals:** Efficient Airport Operations, Maximize Staff Effectiveness, Passenger Services and Experience

**Work Plans:**

- Provide and maintain all aspects of Ground Transportation to provide services, collect all appropriate revenue, and maintain compliance with all Reno-Tahoe International Airport regulations.
- Maximize revenue generating opportunities by continued personnel training, exploration of potential new sources, and utilization of proven advanced technologies.
- Provide the traveling public with highest quality of parking services and providing real value while maintaining a safe, secure environment.
- Work effectively with internal and external groups to maximize results with both fiscal and time efficiency.
- Examine cost effectiveness of maintenance with current economic crisis versus the cost of postponement of such maintenance.
- Review potential system quality and required improvements that enhance the reliability, effectiveness, security, and functionality of the current system.

**Airport Fire Fighting and Rescue (ARFF) – Mission Statement:** Respond to emergencies including aircraft rescue fire fighting services, structural fire protection, hazardous materials response, and emergency first aid service. Provide fire and safety inspections, fire prevention activities, and training for RTAA employees and tenants. Oversee environmental, health and safety programs.

**Board Goals:** Efficient Airport Operations, Passenger Services and Experience, and Maximize Staff Effectiveness

**Work Plans:**

- Maintain emergency response capabilities by ensuring equipment and staffing is kept at an appropriate level.
- Validate effectiveness of Driver/Operator and Acting Captain certification training programs.

**Reno-Tahoe Airport Authority**  
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**Functions and Work Plans**

- Provide aircraft refueling vehicle inspection training for all Airport Fire Division employees due to rotation of inspection program.
- Encourage participation in external training in current fire and emergency services certifications.
- Become more involved in training airport employees in fire prevention practices, confine space, fire extinguisher and hazardous materials subjects.
- Maintain fire department facility and vehicles in operational readiness.
- Provide supervisory training for Fire Captains to include administrative duties and Incident Commander organizational responsibilities.

**Airport Police – Mission Statement:** Ensure Reno-Tahoe International Airport provides a safe and secure facility in accordance with Transportation Security Regulation (TSR), Part 1542 and Nevada Revised Statutes.

**Board Goals:** Efficient Airport Operations, Maximize Staff Effectiveness, and Passenger Services and Experience

**Work Plans:**

- Provide Airport Police Officer vehicle and foot patrols for the safety of the traveling public.
- Meet the requirements of Transportation Security Regulation (TSR) Part 1542 and assist air carriers with requirements for TSR Part 1542 and 1544.
- Offer recurrent training in accordance with Nevada Peace Officers Standards Training requirements.
- Provide Field Training Officer Program for new officer(s) and continue professional development training.
- Maintain and supply Airport Police Officer uniforms and equipment.
- Grant general maintenance and schedule inspections for Police Division vehicles and facilities.
- Document criminal activity and conduct criminal investigations occurring on airport property.
- Participate and comply in the Transportation Security Administration (TSA) National Explosive Detection Canine Team Program.
- Sustain Airport Police Division policy and procedure in accordance with the Commission on Accreditation for Law Enforcement (CALEA) standards.

**Reno-Tahoe Airport Authority**  
**2010-11**  
**ANNUAL BUDGET**  
**Operations and Public Safety**  
**Department Summary**

<u>Account Group</u>	<u>2008-09 ACTUAL</u>	<u>2009-10 BUDGET</u>	<u>2010-11 BUDGET</u>	<u>PERCENT CHANGE</u>
Personnel Services	\$ 8,112,081	\$ 8,300,009	\$ 8,558,551	3%
Utilities and Communications	0	0	0	0%
Purchased Services	536,206	580,218	603,918	4%
Materials and Supplies	142,663	160,960	196,266	22%
Administrative Expenses	64,963	51,340	98,136	91%
 Total Operating Expenses	 \$ 8,855,913	 \$ 9,092,527	 \$ 9,456,871	 4%
 Property, Plant and Equipment	 145,297	 0	 63,000	 %
 TOTAL	 \$ 9,001,210	 \$ 9,092,527	 \$ 9,519,871	 5%

Reno-Tahoe Airport Authority  
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VICE-PRESIDENT OF OPERATIONS AND PUBLIC SAFETY  
Department 401

	ACCOUNT NO.	2008-09 ACTUAL	2009-10 BUDGET	2010-11 BUDGET	PERCENT CHANGE
<b>PERSONNEL SERVICES</b>					
Permanent Employees	41110	\$146,914	\$186,500	\$182,100	-2%
Vacation Pay	41130	48,182	1,300	1,500	15%
Sick Leave	41140	7,613	1,600	300	-81%
Holiday Pay	41150	9,894	0	0	0%
Overtime Pay	41210	287	1,200	500	-58%
Standby	41220	294	300	0	-100%
Holiday worked Pay	41280	95	0	0	0%
Communications Allowance	41300	180	0	0	0%
Medicare	41320	3,367	2,700	2,600	-4%
Group Insurance	41340	13,407	14,800	18,300	24%
LTD/Life Insurance	41342	1,806	1,900	2,100	11%
Self Funded Rx	41343	1,811	2,800	4,400	57%
Vision Insurance	41344	188	400	600	50%
Dental Insurance	41347	1,263	2,300	3,000	30%
Workers Comp	41350	359	3,200	3,300	3%
Retirement	41360	39,147	40,100	39,100	-2%
Benefit Bank Deferred Comp	41430	440	0	0	0%
<b>TOTAL PERSONNEL SERVICES</b>		<b>275,247</b>	<b>259,100</b>	<b>257,800</b>	<b>-1%</b>
<b>PURCHASED SERVICES</b>					
Office Equipment Rental	43210	491	200	260	30%
Freight Expense	43430	0	100	100	0%
<b>TOTAL PURCHASED SERVICES</b>		<b>491</b>	<b>300</b>	<b>360</b>	<b>20%</b>
<b>MATERIALS &amp; SUPPLIES</b>					
Paper	44110	21	80	80	0%
Postage	44120	27	40	40	0%
Printing & Forms	44130	183	0	100	%
Office Supplies	44100	808	580	580	0%
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		<b>1,039</b>	<b>700</b>	<b>800</b>	<b>14%</b>
<b>ADMINISTRATIVE EXPENSE</b>					
Membership Dues	45110	2,043	625	275	-56%
Conference Registration Fees	45130	665	1,685	585	-65%
Meeting Expense	45150	271	400	400	0%
Travel & Reimbursed Expense	45210	7,787	4,500	2,252	-50%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>		<b>10,766</b>	<b>7,210</b>	<b>3,512</b>	<b>-51%</b>
<b>TOTAL DEPARTMENT EXPENSES</b>		<b>\$287,543</b>	<b>\$267,310</b>	<b>\$262,472</b>	<b>-2%</b>

Reno-Tahoe Airport Authority  
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AIRSIDE OPERATIONS  
Section 402

	ACCOUNT NO.	2008-09 ACTUAL	2009-10 BUDGET	2010-11 BUDGET	PERCENT CHANGE
<b>PERSONNEL SERVICES</b>					
Permanent Employees	41110	\$779,542	\$913,100	\$970,900	7%
Vacation Pay	41130	76,152	1,000	2,000	10%
Sick Leave	41140	48,573	8,300	2,000	-81%
Holiday Pay	41150	37,319	0	9,500	%
Comp time	41160	622	0	0	0%
Overtime Pay	41210	62,012	59,000	42,000	-29%
Overtime Call Back	41213	21,994	0	0	0%
Standby	41220	1,125	1,000	0	-100%
Shift Differential	41230	15,898	20,000	20,000	0%
Holiday worked Pay	41280	46,840	40,000	22,500	-44%
Communications Allowance	41300	80	0	0	0%
Medicare	41320	9,670	10,000	12,200	26%
Group Insurance	41340	96,862	117,600	106,600	3%
LTD/Life Insurance	41342	9,071	9,800	10,500	-5%
Self Funded Rx	41343	15,833	21,600	25,900	7%
Vision Insurance	41344	1,804	2,700	3,500	19%
Dental Insurance	41347	12,229	15,700	17,400	16%
Workers Comp	41350	13,295	13,700	13,000	-5%
Retirement	41360	230,832	193,700	203,700	5%
Uniform Allowance	41380	3,592	3,500	2,900	-17%
Benefit Bank Deferred Comp	41430	8,490	0	0	0%
<b>TOTAL PERSONNEL SERVICES</b>		<b>1,491,835</b>	<b>1,430,700</b>	<b>1,464,600</b>	<b>3%</b>
<b>PURCHASED SERVICES</b>					
Other Professional Services	43190	34,734	38,000	40,000	5%
Office Equipment Rental	43210	1,064	900	1,100	44%
Other Repair/Maintenance Svc	43390	158,166	120,200	112,200	-7%
Freight Expense	43430	1,255	0	0	0%
Other Purchased Services	43490	336	0	0	%
<b>TOTAL PURCHASED SERVICES</b>		<b>195,555</b>	<b>159,100</b>	<b>153,300</b>	<b>-3%</b>
<b>MATERIALS &amp; SUPPLIES</b>					
Office Supplies	44100	27,343	13,500	2,000	-84%
Paper	44110	160	200	300	50%
Postage	44120	4	50	100	100%
Printing & Forms	44130	229	100	200	200%
Medical Supplies	44270	80	0	0	0%
Other Operating Supplies	44290	5,332	0	15,500	%

**Reno-Tahoe Airport Authority  
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**AIRSIDE OPERATIONS  
Section 402**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
Office Small Equipment	44410	16	0	4,100	%
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		33,164	13,850	22,200	62%
<b>ADMINISTRATIVE EXPENSE</b>					
Membership Dues	45110	2,790	2,300	3,000	30%
Books & Subscriptions	45120	3,596	3,700	3,800	3%
Conference Registration Fees	45130	875	450	950	111%
Training Expense	45140	1,043	2,000	2,000	0%
Meeting Expense	45150	216	100	500	400%
Travel & Reimbursed Expense	45210	2,579	800	2,300	188%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>		11,099	9,350	12,550	34%
<b>TOTAL EXPENSES BEFORE FIXED ASSETS</b>		1,731,653	1,613,000	1,652,650	3%
<b>FIXED ASSETS</b>					
Fixed Asset Acquisition	48150	0	0	57,000	0%
<b>TOTAL SECTION EXPENSES</b>		<u>\$1,731,653</u>	<u>\$1,613,000</u>	<u>\$1,709,650</u>	<u>3%</u>

**Reno-Tahoe Airport Authority  
2010-11  
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**LANDSIDE OPERATIONS  
Section 403**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
<b>PERSONNEL SERVICES</b>					
Permanent Employees	41110	\$399,634	\$472,500	\$496,800	5%
Temporary Employees	41120	398	0	0	0%
Vacation Pay	41130	6,795	0	0	0%
Sick Leave	41140	25,111	4,400	4,000	-9%
Holiday Pay	41150	11,207	0	8,000	%
Overtime Pay	41210	20,013	15,000	15,000	0%
Standby	41220	2,653	0	0	0%
Shift Differential	41230	19,982	27,000	27,000	0%
Holiday worked Pay	41280	31,473	25,000	22,500	-10%
Communications Allowance	41300	88	0	230	%
Medicare	41320	7,789	6,900	7,200	4%
FICA	41321	25	0	0	0%
Group Insurance	41340	58,484	76,800	63,100	-18%
LTD/Life Insurance	41342	4,330	4,800	5,400	13%
Self Funded Rx	41343	11,566	14,200	14,700	4%
Vision Insurance	41344	1,324	2,000	2,000	0%
Dental Insurance	41347	9,074	10,900	9,300	-15%
Workers Comp	41350	14,971	17,000	16,200	-5%
Retirement	41360	102,952	101,600	106,800	5%
Uniform Allowance	41380	436	400	2,500	525%
Benefit Bank Deferred Comp	41430	8,490	0	0	0%
<b>TOTAL PERSONNEL SERVICES</b>		<b>736,795</b>	<b>778,500</b>	<b>800,730</b>	<b>3%</b>
<b>PURCHASED SERVICES</b>					
Other Professional Services	43190	233,122	296,734	313,000	5%
Office Equipment Rental	43210	1,768	1,600	1,768	11%
Equipment Rental	43211	9,215	9,254	8,700	-6%
Repairs	43310	1,123	0	0	0%
Contracted Services	43340	18,447	8,250	11,210	36%
Other Repair/Maintenance Svc	43390	225	0	0	0%
Freight Expense	43430	175	0	200	%
Contracted Services - Towing	43450	336	250	250	0%
Other Purchased Services	43490	15,685	16,380	16,380	0%
<b>TOTAL PURCHASED SERVICES</b>		<b>280,096</b>	<b>332,468</b>	<b>351,508</b>	<b>6%</b>
<b>MATERIALS &amp; SUPPLIES</b>					
Office Supplies	44100	6,842	3,520	1,000	-72%
Paper	44110	449	325	400	23%
Postage	44120	433	425	425	0%

**Reno-Tahoe Airport Authority  
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**LANDSIDE OPERATIONS  
Section 403**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
Printing & Forms	44130	10,613	16,205	16,000	-1%
Medical Supplies	44270	600	90	90	0%
Other Operating Supplies	44290	1,045	0	3,000	%
Machinery	44330	0	0	30,000	%
Other Repairs-Maint Supplies	44390	1,089	1,500	1,500	0%
Sign and Sign Maintenance	44430	2,523	1,500	20,000	1233%
Employee Safety Equipment	44450	117	200	200	0%
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		<b>23,711</b>	<b>23,765</b>	<b>72,615</b>	<b>206%</b>
<b>ADMINISTRATIVE EXPENSE</b>					
Membership Dues	45110	990	925	1,065	15%
Books & Subscriptions	45120	99	200	200	0%
Conference Registration Fees	45130	0	0	870	%
Training Expense	45140	400	0	0	0%
Travel & Reimbursed Expense	45210	426	0	2,600	%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>		<b>1,915</b>	<b>1,125</b>	<b>4,735</b>	<b>321%</b>
<b>TOTAL EXPENSES BEFORE FIXED ASSETS</b>		<b>1,042,517</b>	<b>1,135,858</b>	<b>1,229,588</b>	<b>8%</b>
<b>FIXED ASSETS</b>					
Fixed Asset Acquisition	48150	62,694	0	0	0%
<b>TOTAL SECTION EXPENSES</b>		<b>\$1,105,211</b>	<b>\$1,135,858</b>	<b>\$1,229,588</b>	<b>8%</b>

Reno-Tahoe Airport Authority  
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AIRPORT RESCUE AND FIRE  
Section 404

	ACCOUNT NO.	2008-09 ACTUAL	2009-10 BUDGET	2010-11 BUDGET	PERCENT CHANGE
<b>PERSONNEL SERVICES</b>					
Permanent Employees	41110	\$862,740	\$1,375,000	\$1,367,600	-1%
Vacation Pay	41130	126,238	1,000	0	-100%
Sick Leave	41140	52,144	500	0	-100%
Holiday Pay	41150	50,333	66,500	64,400	-3%
Comp time	41160	115,917	0	35,000	%
Overtime Pay	41210	188,546	228,209	190,000	-17%
FLSA Overtime Pay	41211	41,588	0	0	0%
Overtime Call Back	41213	181,990	0	0	0%
Communications Allowance	41300	80	0	0	0%
Medicare	41320	10,972	11,800	11,500	-3%
Group Insurance	41340	210,036	262,700	300,400	14%
LTD/Life Insurance	41342	2,890	1,400	1,500	7%
Self Funded Rx	41343	535	800	800	0%
Vision Insurance	41344	182	300	300	0%
Dental Insurance	41347	1,241	600	500	-17%
Workers Comp	41350	112,909	104,400	88,500	-15%
Retirement	41360	391,144	468,600	470,100	0%
Uniform Allowance	41380	7,751	10,000	7,000	-30%
Benefit Bank Deferred Comp	41430	8,380	0	0	0%
<b>TOTAL PERSONNEL SERVICES</b>		<b>2,365,616</b>	<b>2,531,809</b>	<b>2,537,600</b>	<b>0%</b>
<b>PURCHASED SERVICES</b>					
Office Equipment Rental	43210	2,787	1,600	1,900	19%
Contracted Services	43340	4,664	6,550	6,850	5%
Other Repair/Maintenance Svc	43390	2,811	2,650	2,300	-13%
Freight Expense	43430	484	1,700	1,100	-35%
Other Purchased Services	43490	7,454	2,250	4,250	89%
<b>TOTAL PURCHASED SERVICES</b>		<b>18,200</b>	<b>14,750</b>	<b>16,400</b>	<b>11%</b>
<b>MATERIALS &amp; SUPPLIES</b>					
Office Supplies	44100	6,991	7,000	6,000	-14%
Paper	44110	427	320	270	-16%
Postage	44120	18	75	150	100%
Printing & Forms	44130	167	400	500	25%
Chemicals	44220	440	4,000	4,000	0%
Firefighting Agent AFFF	44225	2,618	5,000	5,000	0%
Janitorial Paper Supplies	44250	515	650	650	0%
Janitorial Supplies	44260	2,168	1,500	2,200	47%
Medical Supplies	44270	3,129	6,500	6,200	-5%
Trash Can Liners	44280	173	300	220	-27%

**Reno-Tahoe Airport Authority  
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**AIRPORT RESCUE AND FIRE  
Section 404**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
Other Operating Supplies	44290	5,771	0	0	0%
Turn Outs	44291	5,513	18,000	10,000	-44%
Repair & Maintenance Supply	44300	51	0	0	0%
Electrical Supplies	44360	0	125	125	0%
Other Repairs-Maint Supplies	44390	899	1,200	1,000	-17%
Small Tools - Minor Equipment	44400	2,932	6,275	11,211	79%
Office Small Equipment	44410	19,492	6,800	0	-100%
Sign and Sign Maintenance	44430	73	0	0	0%
Employee Safety Equipment	44450	6,086	13,700	5,700	-58%
Hazardeous Materials Respon	44451	0	2,000	2,000	0%
Emg. Preparedness Stations	44453	0	250	225	-10%
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		<b>57,463</b>	<b>74,095</b>	<b>55,451</b>	<b>-25%</b>
<b>ADMINISTRATIVE EXPENSE</b>					
Membership Dues	45110	620	905	1,123	24%
Books & Subscriptions	45120	2,299	2,000	2,560	28%
Conference Registration Fees	45130	0	0	1,020	%
Training Expense	45140	19,030	18,000	18,000	0%
Meeting Expense	45150	142	0	150	%
Disaster Exercise Expense	45170	1,184	0	15,000	%
Travel & Reimbursed Expense	45210	7,039	6,600	10,611	61%
Employee Milege Reimburse	45240	223	500	75	-85%
Other Advertising & Promotion	45390	2,000	0	500	%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>		<b>32,537</b>	<b>28,005</b>	<b>49,039</b>	<b>75%</b>
<b>TOTAL EXPENSES BEFORE FIXED ASSETS</b>		<b>2,473,816</b>	<b>2,648,659</b>	<b>2,658,490</b>	<b>0%</b>
<b>FIXED ASSETS</b>					
Fixed Asset Acquisition	48150	70,810	0	6,000	%
<b>TOTAL SECTION EXPENSES</b>		<b>\$2,544,626</b>	<b>\$2,648,659</b>	<b>\$2,664,490</b>	<b>1%</b>

**Reno-Tahoe Airport Authority  
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**AIRPORT POLICE  
Section 405**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
<b>PERSONNEL SERVICES</b>					
Permanent Employees	41110	\$1,735,689	\$1,926,100	\$1,269,900	-34%
Vacation Pay	41130	117,053	3,500	0	-100%
Sick Leave	41140	59,804	5,200	0	-100%
Holiday Pay	41150	73,966	0	0	0%
Comp time	41160	8,170	0	0	0%
Overtime Pay	41210	70,771	150,000	80,000	-47%
Overtime Call Back	41213	1,231	0	0	0%
Shift Differential	41230	83,834	67,000	67,000	0%
Holiday worked Pay	41280	92,911	70,000	68,621	-2%
Communications Allowance	41300	393	0	0	0%
Medicare	41320	32,255	26,300	16,900	-36%
Group Insurance	41340	231,850	253,500	121,900	-52%
LTD/Life Insurance	41342	18,858	19,300	21,200	10%
Self Funded Rx	41343	38,970	45,900	27,400	-40%
Vision Insurance	41344	4,819	6,400	3,800	-41%
Dental Insurance	41347	34,067	35,600	18,500	-48%
Workers Comp	41350	74,304	85,500	62,500	-27%
Retirement	41360	517,538	579,800	431,300	-26%
Uniform Allowance	41380	10,267	18,000	10,000	-44%
Post Employment Health Plan	41410	6,200	7,800	7,800	0%
Benefit Bank Deferred Comp	41430	29,638	0	0	0%
<b>TOTAL PERSONNEL SERVICES</b>		<b>3,242,588</b>	<b>3,299,900</b>	<b>2,206,821</b>	<b>-33%</b>
<b>PURCHASED SERVICES</b>					
Other Professional Services	43190	17,121	47,500	3,000	-94%
Office Equipment Rental	43210	4,811	5,000	1,500	-70%
Contracted Services	43340	17,047	14,500	8,500	-41%
Freight Expense	43430	1,004	1,500	1,500	0%
Permits & Records Fees	43460	0	100	100	0%
Other Purchased Services	43490	1,881	5,000	10,000	100%
<b>TOTAL PURCHASED SERVICES</b>		<b>41,864</b>	<b>73,600</b>	<b>24,600</b>	<b>-67%</b>
<b>MATERIALS &amp; SUPPLIES</b>					
Office Supplies	44100	14,671	35,000	5,000	-86%
Paper	44110	1,347	600	500	-17%
Postage	44120	741	500	200	-60%
Printing & Forms	44130	931	1,500	500	-67%
Medical Supplies	44270	189	450	250	-44%
Other Operating Supplies	44290	1,531	0	1,500	%

**Reno-Tahoe Airport Authority  
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**AIRPORT POLICE  
Section 405**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
Firearms	44293	0	0	5,000	%
Vehicles	44310	444	0	0	0%
Locks & Hardware	44333	942	1,000	200	-80%
Small Tools - Minor Equipment	44400	3,810	7,500	3,000	-60%
Office Small Equipment	44410	911	1,000	500	-50%
Employee Safety Equipment	44450	1,769	1,000	500	-50%
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		<b>27,286</b>	<b>48,550</b>	<b>17,150</b>	<b>-65%</b>
<b>ADMINISTRATIVE EXPENSE</b>					
Membership Dues	45110	625	450	6,000	1233%
Books & Subscriptions	45120	287	100	400	300%
Conference Registration Fees	45130	1,650	900	1,800	100%
Training Expense	45140	871	2,000	8,000	300%
Meeting Expense	45150	747	0	0	0%
Travel & Reimbursed Expense	45210	3,791	2,200	6,000	173%
Other Advertising & Promotion	45390	675	0	0	0%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>		<b>8,646</b>	<b>5,650</b>	<b>22,200</b>	<b>293%</b>
<b>TOTAL EXPENSES BEFORE FIXED ASSETS</b>		<b>3,320,384</b>	<b>3,427,700</b>	<b>2,270,771</b>	<b>-34%</b>
<b>FIXED ASSETS</b>					
Fixed Asset Acquisition	48150	11,793	0	0	0%
<b>TOTAL SECTION EXPENSES</b>		<b>\$3,332,177</b>	<b>\$3,427,700</b>	<b>\$2,270,771</b>	<b>-34%</b>

**Reno-Tahoe Airport Authority  
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**AIRPORT SECURITY  
Section 407**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
<b>PERSONNEL SERVICES</b>					
Permanent Employees	41110	\$0	\$0	\$804,800	%
Vacation Pay	41130	0	0	2,700	%
Sick Leave	41140	0	0	3,000	%
Holiday Pay	41150	0	0	21,000	%
Overtime Pay	41210	0	0	25,000	%
Shift Differential	41230	0	0	30,800	%
Holiday worked Pay	41280	0	0	44,000	%
Medicare	41320	0	0	11,700	%
Group Insurance	41340	0	0	93,700	%
LTD/Life Insurance	41342	0	0	9,000	%
Self Funded Rx	41343	0	0	21,600	%
Vision Insurance	41344	0	0	3,000	%
Dental Insurance	41347	0	0	14,000	%
Workers Comp	41350	0	0	25,700	%
Retirement	41360	0	0	171,500	%
Uniform Allowance	41380	0	0	9,500	%
<b>TOTAL PERSONNEL SERVICES</b>		<b>0</b>	<b>0</b>	<b>1,291,000</b>	<b>%</b>
<b>PURCHASED SERVICES</b>					
Other Professional Services	43190	0	0	45,000	%
Office Equipment Rental	43210	0	0	3,500	%
Contracted Services	43340	0	0	8,500	%
Freight Expense	43430	0	0	750	%
<b>TOTAL PURCHASED SERVICES</b>		<b>0</b>	<b>0</b>	<b>57,750</b>	<b>%</b>
<b>MATERIALS &amp; SUPPLIES</b>					
Office Supplies	44100	0	0	20,000	%
Paper	44110	0	0	500	%
Postage	44120	0	0	300	%
Printing & Forms	44130	0	0	1,000	%
Medical Supplies	44270	0	0	250	%
Locks & Hardware	44333	0	0	1,000	%
Small Tools - Minor Equipment	44400	0	0	4,000	%
Office Small Equipment	44410	0	0	500	%
Employee Safety Equipment	44450	0	0	500	%
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		<b>0</b>	<b>0</b>	<b>28,050</b>	<b>%</b>

**Reno-Tahoe Airport Authority  
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**AIRPORT SECURITY  
Section 407**

	<u>ACCOUNT NO.</u>	<u>2008-09 ACTUAL</u>	<u>2009-10 BUDGET</u>	<u>2010-11 BUDGET</u>	<u>PERCENT CHANGE</u>
<b>ADMINISTRATIVE EXPENSE</b>					
Membership Dues	45110	0	0	550	%
Conference Registration Fees	45130	0	0	1,800	%
Travel & Reimbursed Expense	45210	0	0	3,750	%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>		<u>0</u>	<u>0</u>	<u>6,100</u>	<u>%</u>
<b>TOTAL SECTION EXPENSES</b>		<u>\$0</u>	<u>\$0</u>	<u>\$1,382,900</u>	<u>%</u>

**Reno-Tahoe Airport Authority  
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Functions and Work Plans**

Listed below are the department/sections mission statements, relationship to the goals of the Board of Trustees and the general elements of their work plans.

**Planning and Environmental Services – Mission Statement:** Develop, maintain and update a program for the future orderly development of Reno/Tahoe International Airport (RNO) and Reno-Stead Airport (RTS), which satisfies aviation demand and yields safe, efficient, economical and environmentally acceptable air transportation facilities.

**Board Goals:** Financial Stability, Master Development Planning, and Community Relations

**Work Plans:**

- Coordinate multiple phases of the sound insulation program (continue work on Phases 17-20 and initiate new phases pending grant funding)
- Operate and maintain the permanent noise and operations monitoring system
- Continue Reno-Stead Airport terminal/emergency operations command center site and building development
- Initiate runway safety area improvements construction for RTS
- Assist with conversion of under-utilized vacant land into revenue producing use
- Continue coordination with FAA on various projects including the LCGS pilot program and Airport Surveillance Radar (ASR)-11 installation
- Prepare annual RNO noise contour
- Address miscellaneous noise issues
- Receive, review and respond to all noise complaint calls
- Coordinate environmental planning programs
- Expand RNO recycling program
- Fulfill environmental compliance and regulatory programs
- Complete annual storm water pollution prevention inspections of RTAA and tenant facilities
- Complete annual update of water rights recognition
- Oversee implementation of the RTS consent decree remediation program
- Conduct and coordinate with outside agencies and internal stakeholders regarding aviation development planning
- Conduct and coordinate with outside agencies regarding land development and land use planning
- Submit annual Airport Capital Improvement Programs for RNO & RTS
- Review all development proposals from each of the three jurisdictions
- Support Planning Department administrative support
- Support additional departments & programs

**Reno-Tahoe Airport Authority**  
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**Functions and Work Plans**

**Engineering and Construction – Mission Statement:** Programming, Engineering, and Construction Management for the development of RTAA Capital Projects and Facilities for safe & efficient airport operations for airport users & employees.

**Board Goals:** Financial Stability, and Master Development Planning

**Work Plans:**

- Define and Allocate Dept Resources
- Support Services for Tenant Improvements
- Project Scoping and Cost Estimating for Capital Budgeting
- Engineering and Construction Management Services for Project Sponsors
- Engineering and Construction Management Services for RNO 10 Year Plan Projects
- Engineering and Construction Management Services for RNO Capital Projects
- Engineering and Construction Management Services for Reno-Stead Airport Ten (10) Year Plan Projects
- Engineering and Construction Management Services for Reno-Stead Airport Capital Projects
- Development of Qualified Consultants List
- FAA Airport Improvements Program (AIP) Grant Administration
- Disadvantaged Business Enterprise (DBE) program coordination

**Reno-Tahoe Airport Authority**  
**2010-11**  
**ANNUAL BUDGET**  
**Planning and Engineering**  
**Department Summary**

<b>Account Group</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
Personnel Services	\$ 1,116,233	\$ 1,086,360	\$ 1,086,360	0%
Utilities and Communications	0	0	0	0%
Purchased Services	125,465	276,763	97,520	-65%
Materials and Supplies	11,710	13,500	10,700	-21%
Administrative Expenses	18,821	35,390	34,710	-2%
<b>Total Operating Expenses</b>	<b>\$ 1,272,229</b>	<b>\$ 1,412,013</b>	<b>\$ 1,229,290</b>	<b>-13%</b>
Property, Plant and Equipment	0	0	0	0%
<b>TOTAL</b>	<b>\$ 1,272,229</b>	<b>\$ 1,412,013</b>	<b>\$ 1,229,290</b>	<b>-13%</b>

Reno-Tahoe Airport Authority  
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PLANNING AND ENVIRONMENTAL SERVICES  
Executive Section 502

	ACCOUNT NO.	2008-09 ACTUAL	2009-10 BUDGET	2010-11 BUDGET	PERCENT CHANGE
<b>PERSONNEL SERVICES</b>					
Permanent Employees	41110	\$394,757	\$399,600	\$422,800	6%
Vacation Pay	41130	39,341	2,500	7,600	204%
Sick Leave	41140	10,399	12,000	12,500	4%
Holiday Pay	41150	24,119	0	0	0%
Comp Time	41160	57	0	0	0%
Overtime Pay	41210	323	360	360	0%
Automobile Allowance	41250	4,800	4,800	4,800	0%
Communications Allowance	41300	320	0	0	0%
Medicare	41320	7,486	7,100	7,400	4%
Group Insurance	41340	39,659	42,200	41,600	-1%
LTD/Life Insurance	41342	5,116	5,600	6,100	9%
Self Funded Rx	41343	7,401	7,800	9,700	24%
Vision Insurance	41344	893	1,200	1,500	25%
Dental Insurance	41347	4,973	6,400	6,700	5%
Workers Comp	41350	1,258	1,600	1,500	-6%
Retirement	41360	99,781	104,700	108,700	4%
Benefit Bank Deferred Comp	41430	3,016	0	0	0%
<b>TOTAL PERSONNEL SERVICES</b>		<b>643,699</b>	<b>595,860</b>	<b>631,260</b>	<b>6%</b>
<b>PURCHASED SERVICES</b>					
Other Professional Services	43190	109,804	30,000	55,000	83%
Office Equipment Rental	43210	3,902	3,840	4,440	16%
Other Repair/Maintenance Svc	43390	29	0	100	%
Freight Expense	43430	47	300	240	-20%
Permits & Recorders Fees	43460	3,663	1,423	1,400	-2%
Other Purchased Services	43490	953	1,300	1,040	-20%
<b>TOTAL PURCHASED SERVICES</b>		<b>118,398</b>	<b>36,863</b>	<b>62,220</b>	<b>69%</b>
<b>MATERIALS &amp; SUPPLIES</b>					
Office Supplies	44100	7,425	6,500	6,000	-8%
Paper	44110	783	800	600	-25%
Postage	44120	421	600	400	-33%
Printing & Forms	44130	942	800	800	0%
Office Small Equipment	44410	0	500	0	-100%
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		<b>9,571</b>	<b>9,200</b>	<b>7,800</b>	<b>-15%</b>
<b>ADMINISTRATIVE EXPENSE</b>					
Membership Dues	45110	1,995	1,710	1,620	-5%

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**PLANNING AND ENVIRONMENTAL SERVICES  
Executive Section 502**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
Books & Subscriptions	45120	1,624	2,855	2,775	-3%
Conference Registration Fees	45130	2,350	4,200	5,405	29%
Training Expense	45140	285	3,950	450	-89%
Meeting Expense	45150	542	500	500	0%
Travel & Reimbursed Expense	45210	9,488	14,075	15,860	13%
Newspapers	45340	358	0	0	0%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>		<b>16,642</b>	<b>27,290</b>	<b>26,610</b>	<b>-2%</b>
<b>TOTAL SECTION EXPENSES</b>		<b>\$788,310</b>	<b>\$669,213</b>	<b>\$727,890</b>	<b>9%</b>

**Reno-Tahoe Airport Authority  
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**ENGINEERING AND CONSTRUCTION  
Department 503**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
<b>PERSONNEL SERVICES</b>					
Permanent Employees	41110	\$279,489	\$354,200	\$313,400	-12%
Vacation Pay	41130	32,316	1,800	7,100	294%
Sick Leave	41140	17,308	9,000	8,100	-10%
Holiday Pay	41150	17,181	0	0	0%
Comp Time	41160	119	0	0	0%
Communications Allowance	41300	220	0	0	0%
Medicare	41320	4,186	4,200	4,300	2%
Group Insurance	41340	29,845	31,100	28,300	-9%
LTD/Life Insurance	41342	3,706	3,900	4,300	10%
Vision Insurance	41344	540	800	900	13%
Dental Insurance	41347	3,393	4,500	4,600	2%
Self Funded Rx	41343	4,306	5,800	6,700	16%
Workers Comp	41350	719	900	900	0%
Retirement	41360	71,041	74,300	76,500	3%
Benefit Bank Deferred Comp	41430	8,165	0	0	0%
<b>TOTAL PERSONNEL SERVICES</b>		<b>472,534</b>	<b>490,500</b>	<b>455,100</b>	<b>-7%</b>
<b>PURCHASED SERVICES</b>					
Consultants - Engineering	43150	0	20,000	0	-100%
Other Professional Services	43190	2,532	211,000	30,000	-86%
Office Equipment Rental	43210	1,975	3,000	2,400	-20%
Contracted Services	43340	0	2,000	0	-100%
Freight Expense	43430	140	1,500	500	-67%
Other Purchased Services	43490	2,420	2,400	2,400	0%
<b>TOTAL PURCHASED SERVICES</b>		<b>7,067</b>	<b>239,900</b>	<b>35,300</b>	<b>-85%</b>
<b>MATERIALS &amp; SUPPLIES</b>					
Office Supplies	44100	1,562	2,500	2,000	-20%
Paper	44110	270	1,000	600	-40%
Postage	44120	106	300	200	-33%
Printing & Forms	44130	201	500	100	-80%
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		<b>2,139</b>	<b>4,300</b>	<b>2,900</b>	<b>-33%</b>
<b>ADMINISTRATIVE EXPENSE</b>					
Membership Dues	45110	740	1,000	1,300	30%
Books & Subscriptions	45120	133	1,200	1,200	0%
Conference Registration Fees	45130	627	2,300	2,300	0%
Training Expense	45140	0	1,000	600	-40%

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**ENGINEERING AND CONSTRUCTION  
Department 503**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
Meeting Expense	45150	56	600	600	0%
Travel & Reimbursed Expense	45210	414	1,500	1,500	0%
Newspapers	45340	209	500	600	20%
<b>TOTAL ADMINISTRATIVE EXPENSE</b>		2,179	8,100	8,100	0%
<b>TOTAL SECTION EXPENSES</b>		\$483,919	\$742,800	\$501,400	-32%

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Functions and Work Plans**

Listed below are the department/sections mission statements, relationship to the goals of the Board of Trustees and the general elements of their work plans.

**Director of Facilities and Maintenance – Mission Statement:** To maintain RTAA airport facilities, properties and customer oriented service in a world class manner to the users of Reno-Tahoe International Airport.

**Board Goals:** Efficient Airport Operations, Passenger Services and Experience, Maximize Staff Effectiveness, and Financial Stability.

**Work Plans:**

- Inspect RTAA property to support projects and maintenance requirements.
- Ensure a quality passenger experience by monitoring the daily operations and maintenance of the terminal building and operating systems and equipment.
- Professional development of staff.
- Oversee Tenant Improvement Projects program.
- Develop, correct, maintain, promote and enhance various on-going maintenance programs and investigate and implement new programs to provide a highly efficient maintenance operation.
- Participate in bargaining unit negotiations and employee relations.
- Ensure proper management, accurate project scope development, adequate and timely completion of capital projects.
- Participate in bargaining unit negotiations and employee relations.

**Airfield Maintenance – Mission Statement:** To strive for improved operational effectiveness and efficiency through innovation and technology and develop enhanced professional policies and procedures for the management and maintenance of the airfield pavement, markings and lighting, the airport landscapes and additional airport properties, and the airport's extensive vehicle and equipment fleets. In addition, the airfield maintenance division will continue to bring forward the latest technologies in snow removal operations

**Board Goals:** Efficient Airport Operations, Maximize Staff Effectiveness, Stead Airport Operations, and Master Development Planning

**Work Plans:**

- Continued assistance at Reno-Stead for pavement maintenance, airfield markings and the National Championship Air Races.
- Vehicle upgrades will be evaluated for performance as well as fuel efficiency, maintenance costs, and overall value to RTAA.

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- An Airport Markings Best Practices conference will be held in Reno in 2010, where RNO facilities, operations and procedures will be used to demonstrate “how it should be done.”
- Replace surface painted signs with thermoplastic surface markings. These thermoplastic markings will have extended service life, and be resistant to fading.
- With the support of the President/CEO and Board of Trustees, a snow removal equipment storage building will be constructed by the fall of 2011.
- New snow removal equipment will be procured over the next three years to upgrade the current fleet.
- Summer of 2010 will see an additional 20,000 square feet of long term parking pavement rehabilitation.
- Support other airport departments maintenance needs.
- Maintain all RTAA vehicles and equipment.
- Maintain airfield pavements and markings in accordance with FAR Part 139 and other applicable regulations.
- Perform all airfield snow removal operations.
- Maintain landside pavement and markings.
- Maintain safe and accurate signage for the traveling public. Ensure all areas of RTIA are clean and free of all Foreign Object Debris.
- Support airport wide recycling.
- Maintain all Airport Landscaping, manage airfield weed abatement program, maintain all acquired properties for appearance and weed control-dust abatement.

**Building Maintenance and Services – Mission Statement:** Through leadership and organizational planning, deliver cost-effective facility maintenance, and services responsive to RTAA tenants’ and the traveling public’s needs.

**Board Goal:** Efficient Airport Operations, Passenger Services and Experience, Maximize Staff Effectiveness, and Financial Stability

**Work Plans:**

- Provide preventative maintenance and services required to support RTAA owned outbuilding facilities and system components.
- Maintenance and inspections of all regulatory controlled systems such as fire systems, elevator, escalator, locks, doors and alarms.
- Snow removal and ice treatment of the landside areas and assisting on the airfield as required.
- Provide escorts and contractor support for RTAA projects. Provide contracted services agreement management for multiple systems and equipment maintenance services.
- Plan, Schedule and Supervise efficient cost effective facilities operations.

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**Functions and Work Plans**

- Perform inspections, maintenance and repairs to structure and system components of the terminal building.
- Provide utilities systems: electricity, water, natural gas and sewer for RTAA tenants.
- Perform custodial requirements in the terminal building.

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**Facilities and Maintenance**  
**Department Summary**

<u>Account Group</u>	<u>2008-09 ACTUAL</u>	<u>2009-10 BUDGET</u>	<u>2010-11 BUDGET</u>	<u>PERCENT CHANGE</u>
Personnel Services	\$ 6,464,843	\$ 6,342,010	\$ 6,489,039	2%
Utilities and Communications	2,634,645	4,049,500	4,087,250	1%
Purchased Services	807,274	1,840,930	2,229,480	21%
Materials and Supplies	1,006,690	1,296,460	1,345,778	4%
Administrative Expenses	18,513	23,620	34,570	46%
 Total Operating Expenses	 \$10,931,965	 \$13,552,520	 \$14,186,117	 5%
 Property, Plant and Equipment	 233,172	 36,300	 290,480	 700%
 TOTAL	 <u>\$11,165,137</u>	 <u>\$13,588,820</u>	 <u>\$14,476,597</u>	 <u>7%</u>

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DIRECTOR OF FACILITIES AND MAINTENANCE  
Department 601

	ACCOUNT NO.	2008-09 ACTUAL	2009-10 BUDGET	2010-11 BUDGET	PERCENT CHANGE
<b>PERSONNEL SERVICES</b>					
Permanent Employees	41110	\$299,498	\$275,000	\$284,000	3%
Vacation Pay	41130	30,562	2,500	5,600	124%
Sick Leave	41140	2,803	6,300	7,800	24%
Holiday Pay	41150	16,910	0	0	0%
Comp Time	41160	250	0	0	0%
Communications Allowance	41300	330	0	0	0%
Medicare	41320	5,259	4,000	4,100	3%
Group Insurance	41340	20,620	26,600	22,700	-15%
LTD/Life Insurance	41342	3,301	3,400	3,600	6%
Self Funded Rx	41343	3,405	4,900	5,200	6%
Vision Insurance	41344	364	600	600	0%
Dental Insurance	41347	3,099	3,400	3,000	-12%
Workers Comp	41350	719	700	700	0%
Retirement	41360	64,723	57,900	60,100	4%
Benefit Bank Deferred Comp	41430	19,758	0	0	0%
<b>TOTAL PERSONNEL SERVICES</b>		<b>471,601</b>	<b>385,300</b>	<b>397,400</b>	<b>3%</b>
<b>UTILITIES AND COMMUNICATIONS</b>					
Water	42130	6,740	7,000	7,000	0%
<b>TOTAL UTILITIES &amp; COMMUNICATIONS</b>		<b>6,740</b>	<b>7,000</b>	<b>7,000</b>	<b>0%</b>
<b>PURCHASED SERVICES</b>					
Professional Services	43100	365	0	0	0%
Consultants - General	43140	1,634	0	0	0%
Other Professional Services	43190	178	0	0	0%
Office Equipment Rental	43210	815	1,300	1,300	0%
Repairs	43310	12,943	800	800	0%
Contracted Services	43340	72,486	64,000	50,000	-22%
Other Repair/Maintenance Svc	43390	2,158	20,000	20,000	0%
Freight Expense	43430	101	300	0	-100%
<b>TOTAL PURCHASED SERVICES</b>		<b>90,680</b>	<b>86,400</b>	<b>72,100</b>	<b>-17%</b>
<b>MATERIALS &amp; SUPPLIES</b>					
Office Supplies	44100	4,552	4,000	4,000	0%
Paper	44110	0	200	200	0%
Postage	44120	125	400	300	-25%
Printing & Forms	44130	124	500	400	-20%
Other Operating Supplies	44290	656	0	0	0%

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**DIRECTOR OF FACILITIES AND MAINTENANCE  
Department 601**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
Other Repairs-Maint Supplies	44390	0	250	250	0%
Office Small Equipment	44410	75	0	2,000	%
Sign and Sign Maintenance	44430	15,609	12,000	12,000	0%
Employee Safety Equipment	44450	308	0	0	0%
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		<b>21,449</b>	<b>17,350</b>	<b>19,150</b>	<b>10%</b>
<b>ADMINISTRATIVE EXPENSE</b>					
Membership Dues	45110	833	925	1,175	27%
Conference Registration Fees	45130	1,635	2,645	2,300	-13%
Training Expense	45140	110	600	600	0%
Meeting Expense	45150	105	100	100	0%
Travel & Reimbursed Expense	45210	1,981	5,210	6,300	21%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>		<b>4,664</b>	<b>9,480</b>	<b>10,475</b>	<b>10%</b>
<b>TOTAL DEPARTMENT EXPENSES</b>		<b>\$595,134</b>	<b>\$505,530</b>	<b>\$506,125</b>	<b>0%</b>

**Reno-Tahoe Airport Authority  
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**AIRFIELD MAINTENANCE  
Section 602**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
<b>PERSONNEL SERVICES</b>					
Permanent Employees	41110	\$1,010,301	\$1,159,900	\$1,289,400	11%
Temporary Employees	41120	47,799	0	50,000	%
Vacation Pay	41130	85,129	96,500	4,100	-96%
Sick Leave	41140	51,769	13,200	11,600	-12%
Holiday Pay	41150	47,267	0	40,000	%
Overtime Pay	41210	29,087	75,000	40,000	-47%
Overtime Call Back	41213	24,345	0	40,000	%
Standby	41220	20,299	11,000	12,500	14%
Shift Differential	41230	9,247	13,500	13,500	0%
Holiday worked Pay	41280	25,312	22,000	21,000	-5%
Communications Allowance	41300	160	0	550	%
Medicare	41320	14,218	13,900	16,100	16%
Group Insurance	41340	179,110	193,400	195,800	1%
LTD/Life Insurance	41342	11,653	11,600	14,300	23%
Self Funded Rx	41343	27,683	36,000	45,800	27%
Vision Insurance	41344	4,318	6,300	7,800	24%
Dental Insurance	41347	21,681	27,600	29,900	8%
Workers Comp	41350	34,614	38,200	40,700	7%
Retirement	41360	281,267	246,400	273,600	11%
Uniform Allowance	41380	6,757	6,500	7,500	15%
Meal Allowance	41390	353	1,000	800	-20%
Benefit Bank Deferred Comp	41430	13,038	0	0	0%
<b>TOTAL PERSONNEL SERVICES</b>		<b>1,945,407</b>	<b>1,972,000</b>	<b>2,154,950</b>	<b>9%</b>
<b>UTILITIES AND COMMUNICATIONS</b>					
Electricity	42110	105,500	85,000	105,000	24%
Natural Gas	42120	21,604	13,000	30,000	131%
Water	42130	90	400	0	-100%
Solid Waste Disposal	42150	89,147	130,000	110,000	-15%
Recycleable Disposal	42151	4,004	6,000	5,500	-8%
Dump Fees	42152	20,618	9,500	4,500	-53%
Sumps/Oil-Water Seperators	42153	939	7,500	7,000	-7%
Propane	42170	2,485	1,750	1,250	-29%
Hazardous Waste Disposal	42180	802	1,250	2,000	60%
Other Communications	42230	146	0	0	0%
Public Address	42290	(75)	0	0	0%
<b>TOTAL UTILITIES &amp; COMMUNICATIONS</b>		<b>245,260</b>	<b>254,400</b>	<b>265,250</b>	<b>4%</b>
<b>PURCHASED SERVICES</b>					
Other Professional Services	43190	170	2,500	2,000	-20%

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**AIRFIELD MAINTENANCE  
Section 602**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
Office Equipment Rental	43210	2,542	1,800	1,800	0%
Equipment Rental	43211	8,276	1,500	1,200	-20%
Repairs	43310	173	3,000	0	-100%
Contracted Services	43340	15,063	6,130	52,650	759%
Other Repair/Maintenance Svc	43390	7,873	5,000	34,000	580%
Freight Expense	43430	3,968	3,000	2,000	-33%
Permits & Recorders Fees	43460	1,851	1,500	1,600	7%
<b>TOTAL PURCHASED SERVICES</b>		<b>39,916</b>	<b>24,430</b>	<b>95,250</b>	<b>290%</b>
<b>MATERIALS &amp; SUPPLIES</b>					
Office Supplies	44100	4,607	5,500	3,000	-45%
Paper	44110	165	250	0	-100%
Postage	44120	3	10	10	0%
Printing & Forms	44130	332	275	400	45%
Oil and Lubricants	44210	10,783	12,000	14,000	17%
Chemicals	44220	213	0	0	0%
Herbicides	44221	55,689	65,000	65,000	0%
Fertilizer	44222	7,645	9,000	9,000	0%
Ice Control	44223	66,909	90,000	75,000	-17%
Rubber Removal	44224	8,832	12,000	12,000	0%
Auto Fuel	44230	62,257	115,000	100,000	-13%
Diesel Fuel	44240	65,798	105,000	95,000	-10%
Janitorial Paper Supplies	44250	273	0	0	0%
Janitorial Supplies	44260	780	0	0	0%
Medical Supplies	44270	182	275	275	0%
Trash Can Liners	44280	4,293	4,500	3,200	-29%
Other Operating Supplies	44290	20,201	0	0	0%
Repair & Maintenance Supply	44300	4,785	0	19,500	%
Maintenance	44420	0	5,000	0	-100%
Vehicles	44310	33,870	35,000	38,000	9%
Heating & Air Conditioning	44320	589	0	2,000	%
Machinery	44330	85,863	115,000	110,000	-4%
Steel and Sheet Metal	44332	356	0	0	0%
Locks & Hardware	44333	7,750	4,000	0	-100%
Seeds, Plants & Trees	44340	4,617	2,300	2,000	-13%
Irrigation Supplies	44341	6,407	3,000	4,500	50%
Landscape Materials	44342	2,401	3,500	2,000	-43%
Plumbing Supplies	44350	2,032	0	0	0%
Electrical Supplies	44360	21,058	6,500	9,000	38%
Runway/Taxiway	44361	26,863	55,000	45,000	-18%
Ramp Lighting	44362	1,233	1,000	1,000	0%

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**AIRFIELD MAINTENANCE  
Section 602**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
Parking Lot Lighting	44366	0	500	1,200	140%
Lumber & Building Supplies	44370	899	0	0	0%
Paint Supplies	44380	51,392	56,000	56,000	0%
Other Repairs-Maint Supplies	44390	3,784	3,000	0	-100%
Small Tools - Minor Equipment	44400	10,950	10,000	8,000	-20%
Office Small Equipment	44410	7,199	400	1,000	150%
Maintenance	44420	1,339	0	0	0%
Sign and Sign Maintenance	44430	2,308	3,000	3,000	0%
Employee Safety Equipment	44450	8,286	8,000	6,500	-19%
Telephone Equipment and Lat	44460	13	0	0	0%
Asphalt & Cement	44510	20,170	12,000	12,000	0%
Back Fill/Crusher Run, Etc.	44511	0	2,000	2,000	0%
Patch Material	44513	844	5,000	5,000	0%
Runways/taxiway Repair	44530	2,318	40,000	35,000	-13%
Fence and Gate Repair Parts	44540	858	2,000	2,000	0%
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		<b>617,146</b>	<b>791,010</b>	<b>741,585</b>	<b>-6%</b>
<b>ADMINISTRATIVE EXPENSE</b>					
Membership Dues	45110	2,458	900	1,200	33%
Books & Subscriptions	45120	1,500	1,800	2,500	39%
Conference Registration Fees	45130	495	1,490	2,140	44%
Training Expense	45140	2,066	3,000	3,000	0%
Meeting Expense	45150	49	0	0	0%
Travel & Reimbursed Expense	45210	1,877	1,620	9,750	502%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>		<b>8,445</b>	<b>8,810</b>	<b>18,590</b>	<b>111%</b>
<b>TOTAL EXPENSES BEFORE FIXED ASSETS</b>		<b>2,856,174</b>	<b>3,050,650</b>	<b>3,275,625</b>	<b>7%</b>
<b>FIXED ASSETS</b>					
Fixed Asset Acquisition	48150	230,367	0	290,480	%
<b>TOTAL SECTION EXPENSES</b>		<b>\$3,086,541</b>	<b>\$3,050,650</b>	<b>\$3,566,105</b>	<b>17%</b>

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BUILDING MAINTENANCE AND SERVICES  
Section 603

	ACCOUNT NO.	2008-09 ACTUAL	2009-10 BUDGET	2010-11 BUDGET	PERCENT CHANGE
<b>PERSONNEL SERVICES</b>					
Permanent Employees	41110	\$2,193,942	\$2,437,300	\$2,409,600	-1%
Vacation Pay	41130	173,030	4,900	0	-100%
Sick Leave	41140	76,195	18,100	8,600	-52%
Holiday Pay	41150	68,378	0	0	0%
Comp Time	41160	226	0	0	0%
Overtime Pay	41210	7,816	30,000	15,000	-50%
Overtime Call Back	41213	12,023	0	0	0%
Standby	41220	13,137	12,260	12,260	0%
Shift Differential	41230	104,613	110,000	123,700	12%
Holiday worked Pay	41280	136,759	122,250	124,529	2%
Communications Allowance	41300	493	0	0	0%
Medicare	41320	38,857	34,800	35,000	1%
Group Insurance	41340	405,992	422,000	366,200	-13%
LTD/Life Insurance	41342	26,713	26,200	28,000	7%
Self Funded Rx	41343	70,606	78,000	86,500	11%
Vision Insurance	41344	9,291	12,500	13,300	6%
Dental Insurance	41347	46,317	59,000	54,900	-7%
Workers Comp	41350	86,572	88,700	80,900	-9%
Retirement	41360	541,108	516,700	512,700	-1%
Uniform Allowance	41380	6,584	10,000	10,000	0%
Meal Allowance	41390	214	2,000	1,000	-50%
Benefit Bank Deferred Comp	41430	28,969	0	0	0%
<b>TOTAL PERSONNEL SERVICES</b>		<b>4,047,835</b>	<b>3,984,710</b>	<b>3,882,189</b>	<b>-3%</b>
<b>UTILITIES AND COMMUNICATIONS</b>					
Electricity	42110	1,930,309	2,301,700	2,000,000	-13%
Natural Gas	42120	267,053	305,200	305,000	0%
Water	42130	100,301	116,400	119,000	2%
Sewer	42140	83,390	71,000	73,000	3%
Solid Waste Disposal	42150	1,592	2,000	2,000	0%
<b>TOTAL UTILITIES &amp; COMMUNICATIONS</b>		<b>2,382,645</b>	<b>2,796,300</b>	<b>2,499,000</b>	<b>-11%</b>
<b>PURCHASED SERVICES</b>					
Professional Services	43100	0	4,000	4,000	0%
Other Professional Services	43190	940	5,000	5,200	4%
Office Equipment Rental	43210	1,569	1,500	1,550	3%
Equipment Rental	43211	0	1,000	1,000	0%
Repairs	43310	640	0	0	0%
Contracted Services	43340	560,122	690,100	747,300	8%

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BUILDING MAINTENANCE AND SERVICES  
Section 603

	ACCOUNT NO.	2008-09 ACTUAL	2009-10 BUDGET	2010-11 BUDGET	PERCENT CHANGE
Other Repair/Maintenance Svc	43390	1,643	0	0	0%
Freight Expense	43430	2,279	2,000	2,000	0%
Permits & Recorders Fees	43460	2,079	1,500	2,000	33%
Other Purchased Services	43490	107,406	50,000	50,000	0%
<b>TOTAL PURCHASED SERVICES</b>		676,678	755,100	813,050	8%
<b>MATERIALS &amp; SUPPLIES</b>					
Office Supplies	44100	1,304	2,500	2,500	0%
Paper	44110	397	500	500	0%
Postage	44120	1	50	50	0%
Printing & Forms	44130	1,136	1,000	1,000	0%
Chemicals	44220	439	0	0	0%
Ice Control	44223	0	0	76,350	%
Janitorial Paper Supplies	44250	81,916	80,000	80,000	0%
Janitorial Supplies	44260	45,225	44,250	45,135	2%
Medical Supplies	44270	513	2,500	2,000	-20%
Trash Can Liners	44280	26,599	38,000	38,000	0%
Other Operating Supplies	44290	2,791	0	0	0%
Repair & Maintenance Supply	44300	3,781	50,000	0	-100%
Heating & Air Conditioning	44320	52,608	40,000	40,000	0%
Filters	44321	7,636	0	0	0%
Machinery	44330	9,456	5,000	5,000	0%
Baggage Conveyors	44331	9,840	9,500	55,708	486%
Locks & Hardware	44333	3,199	10,000	10,000	0%
Brushes	44334	6,881	3,000	3,000	0%
Jet Bridge Repair	44336	16,988	15,000	30,000	100%
Plumbing Supplies	44350	21,507	25,000	25,000	0%
Electrical Supplies	44360	32,024	25,000	25,000	0%
Parking Lot Lighting	44366	515	0	0	0%
Lumber & Building Supplies	44370	15,186	10,000	29,000	190%
Paint Supplies	44380	2,876	3,000	3,000	0%
Other Repairs-Maint Supplies	44390	1,666	0	0	0%
Small Tools - Minor Equipment	44400	2,088	5,000	5,000	0%
Office Small Equipment	44410	3,935	0	0	0%
Maintenance	44420	680	0	0	0%
Sign and Sign Maintenance	44430	33	0	0	0%
Employee Safety Equipment	44450	16,875	10,000	10,000	0%
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		368,095	379,300	486,243	28%

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**BUILDING MAINTENANCE AND SERVICES  
Section 603**

	<u>ACCOUNT NO.</u>	<u>2008-09 ACTUAL</u>	<u>2009-10 BUDGET</u>	<u>2010-11 BUDGET</u>	<u>PERCENT CHANGE</u>
<b>ADMINISTRATIVE EXPENSE</b>					
Membership Dues	45110	1,036	1,330	1,505	13%
Conference Registration Fees	45130	1,134	0	0	0%
Training Expense	45140	110	4,000	4,000	0%
Travel & Reimbursed Expense	45210	3,124	0	0	0%
<b>TOTAL ADMINISTRATIVE EXPENSES</b>		<u>5,404</u>	<u>5,330</u>	<u>5,505</u>	<u>3%</u>
<b>TOTAL EXPENSES BEFORE FIXED ASSETS</b>		7,480,657	7,920,740	7,685,987	-3%
<b>FIXED ASSETS</b>					
Fixed Asset Acquisition	48150	<u>2,805</u>	<u>36,300</u>	<u>0</u>	<u>-100%</u>
<b>TOTAL SECTION EXPENSES</b>		<u><u>\$7,483,462</u></u>	<u><u>\$7,957,040</u></u>	<u><u>\$7,685,987</u></u>	<u><u>-3%</u></u>

**Reno-Tahoe Airport Authority  
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**BAGGAGE HANDLING SYSTEM  
Section 604**

	<b>ACCOUNT NO.</b>	<b>2008-09 ACTUAL</b>	<b>2009-10 BUDGET</b>	<b>2010-11 BUDGET</b>	<b>PERCENT CHANGE</b>
<b>PERSONNEL SERVICES</b>					
Permanent Employees	41110	\$0	\$0	\$40,900	%
Group Insurance	41340	0	0	4,800	%
Retirement	41360	0	0	8,800	%
<b>TOTAL PERSONNEL SERVICES</b>		0	0	54,500	%
<b>UTILITIES AND COMMUNICATIONS</b>					
Electricity	42110	0	875,700	1,200,000	37%
Natural Gas	42120	0	116,100	116,000	0%
<b>TOTAL UTILITIES &amp; COMMUNICATIONS</b>		0	991,800	1,316,000	33%
<b>PURCHASED SERVICES</b>					
Other Professional Services	43100	0	0	89,680	%
Consultants - General	43140	0	0	8,000	%
Other Professional Services	43190	0	0	77,400	%
Contracted Services	43340	0	975,000	1,074,000	10%
<b>TOTAL PURCHASED SERVICES</b>		0	975,000	1,249,080	28%
<b>MATERIALS &amp; SUPPLIES</b>					
Filters	44321	0	30,000	20,000	-33%
Baggage Conveyors	44331	0	75,000	75,000	0%
Electrical Supplies	44360	0	3,800	3,800	0%
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		0	108,800	98,800	-9%
<b>TOTAL SECTION EXPENSES</b>		<b>\$0</b>	<b>\$2,075,600</b>	<b>\$2,718,380</b>	<b>31%</b>

**Reno-Tahoe Airport Authority  
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Section 3 – Property, Plant and Equipment**

The schedule following this narrative lists the Property, Plant, Equipment (PPE) budgets for the RTAA's various departments/sections. PPE are items that will have a useful life exceeding one year and a cost greater than \$5,000.

The PP&E request for 2010-11 is \$511,880. This is a significant increase from the 2009-10 PP&E budget amount of \$36,300 due primarily to the backlog of previously deferred purchases. With the economic slowdown and its impact on passenger traffic, PPE was a category of expenditures severely reduced in an effort to reduce expenditures. Increasing equipment maintenance costs, the desire to increase staff productivity, and efficiency gained by reducing outsourcing of services where cost effective have led to the higher amount in PP&E requests.

The major PP&E requests are mostly equipment, one vehicle and a number of technology related items. The Sport Utility Vehicle requested is scheduled for use at the Reno – Stead Airport and will replace an older vehicle that qualifies under the Facilities Replacement Program. Among the more important technology related requests are the replacement of the aging audio equipment in the Airport Communications department and expansion of the current virtual server infrastructure in the Technology and Information Systems department. These items are presented on the following page.

The Facilities Department's vehicle replacement plan maximizes the functionality and minimizes the maintenance costs of the Airport Authority's fleet of vehicles. The plan provides for the retirement and rotation of vehicles and equipment. The evaluation criteria are listed below.

**VEHICLE AND EQUIPMENT ACQUISITION AND ROTATION POLICY  
REPLACEMENT EVALUATION CRITERIA**

Light Duty Vehicles

- Replacement evaluation after 6 years of service or
- Replacement evaluation when vehicle exceeds 80,000 miles or
- Replacement evaluation when maintenance cost to purchase ratio exceeds 35%

Heavy Duty Vehicles and Equipment

- Replacement evaluation after 10-20 years depending on type of vehicle/equipment or
- Replacement evaluation when vehicle/equipment exceeds 80,000 miles or
- Replacement evaluation every 25,000 hours on Hobbs hour meter or
- Replacement evaluation when maintenance cost to purchase ratio exceeds 30%

**Reno-Tahoe Airport Authority  
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Section 3 – Property, Plant and Equipment**

**Vehicles**

<b>Department</b>	<b>2010-11 Request</b>	<b>Amount Budgeted</b>	<b>Current Equipment Being Replaced/Explanation</b>
Reno – Stead Airport	Sport Utility Vehicle	\$35,000	This is to replace current vehicle and qualifies under the replacement criteria including equipment to safely operate on the airfield

**Equipment**

<b>Department</b>	<b>2010-11 Request</b>	<b>Amount Budgeted</b>	<b>Current Equipment Being Replaced/Explanation</b>
Reno – Stead Airport	Dodge 550 Truck w/ Dump and Plow	\$60,000	This truck will replace two old trucks that require excessive mechanic time and parts.
Airfield Maintenance	75-85HP AWD tractor loader w/accessories	\$89,780	Needed for a more efficient in-house snow removal.
Airfield Maintenance	Portable lift system	\$69,000	Will be used to perform maintenance on ARFF and snow removal vehicles.
Airfield Maintenance	Cimline Magma 410 Crack Sealer	\$55,000	Needed to enable in-house pavement crack sealing.

**Technology**

<b>Department</b>	<b>2010-11 Request</b>	<b>Amount Budgeted</b>	<b>Current Equipment Being Replaced/Explanation</b>
Airport Communications	48 Channel voice recording system	\$50,000	Replaces existing aged audio equipment.
Airfield Maintenance	Computerized fuel management system	\$52,400	Needed for a more efficient fuel inventory control.

**Reno-Tahoe Airport Authority**  
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**Property, Plant, and Equipment**

<b>Division</b>	<b>Description</b>	<b>Amount</b>	<b>Total</b>
101 Board of Trustees			-
204 Internal Audit			-
102 General Counsel			-
201 President/CEO			-
251 Executive Vice-President/COO			-
202 Air Service Development Business Development			-
203 Marketing and Public Affairs			-
304 Economic Development			-
253 Technology & Information Systems			
	Virtual Server Expansion	\$ 17,400	17,400
254 Reno-Stead Airport			
	Line Lazer IV 5900 w/Surrey	\$ 15,000	
	Truck Utility Bed	12,000	
	Kawasaki 4010 4x4 Mule- All		
	Terrain Vehicle	12,000	
	Dodge 550 Truck w/ Dump and		
	Plow	60,000	
	200 Gallon Weed Sprayer	7,000	
	Sport Utility Vehicle	35,000	
			<b>141,000</b>

**Reno-Tahoe Airport Authority**  
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**Property, Plant, and Equipment**

<b>Division</b>	<b>Description</b>	<b>Amount</b>	<b>Total</b>
252 Human Resources			-
302 Accounting & Administration			-
303 Purchasing & Materials Management			-
305 Finance & Budgeting			-
401 Director of Operations & Public Safety			-
402 Airside Operations			
	48 Channel Voice Recording System	\$ 50,000	
	Secure Synch Network Synchronization System	<u>7,000</u>	<u>57,000</u>
403 Landside Operations			-
404 Airport Rescue & Fire			
	Self Contained Breathing Apparatus	<u>\$ 6,000</u>	<u>6,000</u>
405 Airport Police			-
407 Airport Security			-
502 Planning & Environmental Services			-
503 Engineering & Construction			-

**Reno-Tahoe Airport Authority  
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 ANNUAL BUDGET  
 Property, Plant, and Equipment**

<b>Division</b>	<b>Description</b>	<b>Amount</b>	<b>Total</b>
601 Director of Facilities & Maintenance			-
602 Airfield Maintenance			
	Computerized Fuel Management System	\$ 52,400	
	Cimeline Magma 410 Crack Sealer	55,000	
	(2) Power Plows	12,300	
	75-85 HP AWD Tractor Loader w/ accessories	89,780	
	Kawasaki 4010 4x4 Mule- All Terrain Vehicle	12,000	
	Portable Lift System	69,000	
		<u>290,480</u>	<u>290,480</u>
603 Building Maintenance			-
<b>TOTAL</b>			<u><u>\$ 511,880</u></u>

**Reno-Tahoe Airport Authority  
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Section 3 – Capital Projects**

Capital Projects (Funded by Airport Operating Revenues)

The capital projects shown on the schedule following this page are the result of the budget process and the airports' master plans. The columns on the summary schedule show the cost centers the projects are assigned to for airline rate setting purposes. The cost centers defined in the airline agreement are Airfield, Terminal Building, Ground Transportation, Baggage Handling System, Other, and Reno-Stead Airport. The total of the projects allocated to the cost centers is also shown. This amount appears on the Budgeted Revenue Sharing, and Summary Sources and Uses of Funds schedules. A brief description of each project is also included in this section.

The airline agreement specifies a procedure for the airlines to review the capital projects or capital project's debt service that will be included in the Airfield and Terminal Building cost centers used for airline rate calculations. Under the new agreement, the first \$1 million of projects in the Airfield Cost Center, \$2 million in the Terminal Building Cost Center, \$500,000 in the BHS Cost Center and \$6 million for the Terminal Refurbishing Program are exempt from airline review and the Majority In Interest (MII) airline approval process. For a description of the MII process, see Section 3 Financial Plan -Airline Agreement. Projects over \$300,000 must be amortized over their life and not reimbursed in one year's rates. During the annual budget review meeting with the airlines, the capital projects subject to the MII airline review process are discussed. The value of the projects in the Airfield, and Terminal Building cost centers for the FY 2010-11 Budget are below the amount that requires airline review.

During the budget process all capital projects are prioritized and evaluated based on the following five criteria:

1. Required for safety or security
2. Mandated by a regulatory agency
3. To prevent damage to or the maintenance of an existing facility
4. A source of revenue or fundamental to the basic operations of the airports
5. Favorably impacts or improves any of the Authority's other areas

These capital projects are funded in several ways. The smaller capital projects are funded by airline rates through airline cost center recovery or airport revenues in the fiscal year. The General Purpose Fund, as further discussed in Section 3 Trust Funds, Summary is used to finance the larger operating budget capital projects that are amortized as a reduction to the 50%/50% revenue sharing credit applied against the signatory airline terminal rental rate.



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**Reno-Tahoe International Airport**

***Pave Portion of Airport Warehouse Complex***

This project includes design and construction of pavement surfaces providing parking at the West side of the warehousing complex. The City of Reno code enforcement division has advised staff that the commercial operations on that side of the complex require paved parking to meet their business licensing requirements.

<b>Project Cost</b>	
Construction (includes materials, equipment, labor)	\$ 200,000
<b><i>Rate Impact</i></b>	
Impact on Terminal Rental Rate	\$0.81
Impact on Airline Cost per Enplaned Passenger	\$0.06

***Vehicle gate for airport warehouse complex***

This project will add one automatic vehicle gate with operator and control system to improve security and provide a backup for access to the Airport warehouse complex.

<b>Project Cost</b>	
Construction (includes materials, equipment, labor)	\$25,000
<b><i>Rate Impact</i></b>	
Impact on Terminal Rental Rate	\$0.10
Impact on Airline Cost per Enplaned Passenger	\$0.01

***State of NV motor pool building improvements***

This project will waterproof the building exterior, coat the roof and provide additional minor repairs and improvements.

<b>Project Cost</b>	
Construction (includes materials, equipment, labor)	\$12,000
<b><i>Rate Impact</i></b>	
Impact on Terminal Rental Rate	\$0.05
Impact on Airline Cost per Enplaned Passenger	\$0.00

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***Airfield Pavement Maintenance Program 2010-11***

This project will repair and maintain the airfield pavements pursuant to the recommendations of the 2008 Airfield Pavement Management Program. Repairs typically include seal coating, asphalt patching, overlays, reconstruction, concrete panel replacement, crack repair, spall repair, and joint sealing. This project is being amortized in the airline rates and charges calculation over a five (5) year period.

<b>Project Cost</b>	
Construction (includes materials, equipment, labor)	\$685,000
<b>Rate Impact</b>	
Impact on Terminal Rental Rate	\$0.56
Impact on Airline Cost per Enplaned Passenger	\$0.04

***Landside Pavement Maintenance Program 2010-11***

This project will repair and maintain the landside pavements pursuant to the recommendations of the 2009 Landside Pavement Management Program. Repairs typically include seal coating, asphalt patching, overlays, reconstruction, concrete panel replacement, crack repair, spall repair, and joint sealing. This project is being amortized in the airline rates and charges calculation over a five (5) year period.

<b>Project Cost</b>	
Construction (includes materials, equipment, labor)	\$400,000
<b>Rate Impact</b>	
Impact on Terminal Rental Rate	\$0.33
Impact on Airline Cost per Enplaned Passenger	\$0.03

***Drainage Ditch Improvements Taxiway "A"***

This project will reinforce the earth drainage ditch along Taxiway "A" from the south terminal apron to the NVANG apron connector (approximately 350 LF). Installation of "Rip Rap" consisting of large stones and sprayed concrete will prevent erosion of the earth channel.

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<b>Project Cost</b>	
Construction (includes materials, equipment, labor)	\$125,000
<b>Rate Impact</b>	
Impact on Landing Fee Rate	\$0.03
Impact on Terminal Rental Rate	\$0.03
Impact on Airline Cost per Enplaned Passenger	\$0.06

***Terminal Refurbishment***

This project is for the refurbishment and modernization of the interior of the terminal building including the bag claim area ceiling as well as carpeting throughout the concourses. This project will provide aesthetic consistency with the newly remodeled ticketing lobby that was done as part of the Integrated Explosive Detection System (Airport Baggage Check-in) project. This project will be a multi-year effort with the work phased to focus on the most critical needs and to minimize any potential impact to the traveling public. This project is a multi-year effort and no amortization is included in the FY 2010-11 calculation of the airline rates and changes.

<b>Project Cost</b>	
Construction (includes materials, equipment, labor)	\$6,000,000
<b>Rate Impact</b>	
No Rate Impact in FY 201-11	\$0.00

***Energy Management Control System Phase 2***

This project will bring the current, outdated system to optimal efficiency in operating parameters to control the Heating, Ventilation and Air Conditioning for the terminal building and lighting systems for the terminal building and aircraft ramp. The new systems will allow visual confirmation and status of the operating systems and the pre-set parameters for the systems and equipment that it monitors and controls.

<b>Project Cost</b>	
Construction (includes materials, equipment, labor)	\$200,000
<b>Rate Impact</b>	
Impact on Terminal Rental Rate	\$1.22
Impact on Airline Cost per Enplaned Passenger	\$0.08

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***Parking Garage Roof Sealing***

This project will complete sealing of the remaining 140,000 sq. ft. of the garage deck to prevent water penetration into the concrete surface. This project is being amortized in the airline rates and charges calculation over a five (5) year period.

<b>Project Cost</b>	
Construction (includes materials, equipment, labor)	\$500,000
<b>Rate Impact</b>	
Impact on Terminal Rental Rate	\$0.41
Impact on Airline Cost per Enplaned Passenger	\$0.03

***Airfield Maintenance Roof Replacement***

This project will replace 10,500 sq. ft. of old roof. It has been identified by Benchmark Inc as needing replacement in their 2003 survey and repairs are no longer cost effective as compared to the full replacement.

<b>Project Cost</b>	
Construction (includes materials, equipment, labor)	\$148,000
<b>Rate Impact</b>	
Impact on Landing Fee Rate	\$0.05
Impact on Terminal Rental Rate	\$0.01
Impact on Airline Cost per Enplaned Passenger	\$0.07

***New FAA Tower Fencing***

This project will establish a 300' clearance around the new tower building and keep the south of the tower building within the AOA.

<b>Project Cost</b>	
Construction (includes materials, equipment, labor)	\$10,000
<b>Rate Impact</b>	
Impact on Landing Fee Rate	\$0.00
Impact on Terminal Rental Rate	\$0.04
Impact on Airline Cost per Enplaned Passenger	\$0.01

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***Board Room Remodel***

This project will give the RTAA a new visually appealing room for announcements, news interviews and VIP use. The current rooms are out dated and materials needed for repairs are no longer available.

<b>Project Cost</b>	
Construction (includes materials, equipment, labor)	\$100,000
<b><i>Rate Impact</i></b>	
Impact on Terminal Rental Rate	\$0.41
Impact on Airline Cost per Enplaned Passenger	\$0.03

***Remodel Reception and Protocol Room***

This project will increase the safety of the front desk receptionist and also give the protocol room more of an open feeling and a view of the lobby.

<b>Project Cost</b>	
Construction (includes materials, equipment, labor)	\$60,000
<b><i>Rate Impact</i></b>	
Impact on Terminal Rental Rate	\$0.24
Impact on Airline Cost per Enplaned Passenger	\$0.02

***Remodel Administrative Area Restrooms***

This project will update the four aging restrooms in the administration area. These restrooms need to be remodeled because they are outdated, the counter tops are delaminating and the fixtures are starting to show wear.

<b>Project Cost</b>	
Construction (includes materials, equipment, labor)	\$150,000
<b><i>Rate Impact</i></b>	
Impact on Terminal Rental Rate	\$0.61
Impact on Airline Cost per Enplaned Passenger	\$0.04

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***Parking Garage Glass Tower Gutter System***

This project will install sixteen radiant heaters (two per tower), eight ice/snow sensors and eight thermostats (one each per tower), electrical conduit and wiring, rain gutters and down spouts on two sides of each tower. Upon completion, this project will eliminate the falling ice and snow from the glass towers and redirect the melted snow to the parking garage roof and ultimately to the drains.

<b>Project Cost</b>	
Construction (includes materials, equipment, labor)	\$45,500
<b><i>Rate Impact</i></b>	
Impact on Terminal Rental Rate	\$0.19
Impact on Airline Cost per Enplaned Passenger	\$0.02

***Terminal Lighting Retrofit Phase 2***

This project will consist of replacing 3,507 florescent tubes with Light Emitting Diode (LED) in the Baggage Handling Service area (BHS), Ticket Lobby, Bag Claim, Passenger Boarding Bridges, and the lower level concourse and connector drive-through areas. This will result in an estimated annual energy savings of \$93,000.00 (65%) and a ROI of 26 months.

<b>Project Cost</b>	
Construction (includes materials, equipment, labor)	\$250,000
<b><i>Rate Impact</i></b>	
Impact on Terminal Rental Rate	\$0.53
Impact on Airline Cost per Enplaned Passenger	\$0.10

***Terminal Roof Replacement***

This project will remove 4,500 square feet of roofing and replace with a fully adhered single ply PVC Elastic membrane.

<b>Project Cost</b>	
Programming/Design	\$38,500
<b><i>Rate Impact</i></b>	
Impact on Terminal Rental Rate	\$0.24
Impact on Airline Cost per Enplaned Passenger	\$0.02

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**Reno-Stead Airport**

***Shop Yard Pavement***

This project will pave the edges of the shop yard along the fence, to allow parking of equipment in that area.

<b>Project Cost</b>	
Construction (includes materials, equipment, labor)	\$215,000
<b><i>Rate Impact</i></b>	
Impact on Terminal Rental Rate	\$0.87
Impact on Airline Cost per Enplaned Passenger	\$0.06

***Hangar Concrete Pad Replacement***

This project will replace the concrete pads in front of two hangars, required per the lease agreement.

<b>Project Cost</b>	
Construction (includes materials, equipment, labor)	\$20,000
<b><i>Rate Impact</i></b>	
Impact on Terminal Rental Rate	\$0.08
Impact on Airline Cost per Enplaned Passenger	\$0.01

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**CAPITAL IMPROVEMENT PROGRAM**

The Capital Improvement Program, as update during the FY 2010-11 Budget, is a rolling three to five year program that provides for critical improvements and asset preservation. Funding sources for the projects are primarily Airport Improvement Program (AIP) and Transportation Security Administration (TSA) grants, Passenger Facility Charges (PFC), and airport revenue bonds, if applicable. The current Capital Improvement Program does not anticipate the issuance of any additional revenue bonds. The majority of these projects are to be funded by future federal grants or PFCs. Both PFC and grant dependent projects will not be implemented until a funding source is approved and awarded.

**Competition Plan**

The Airport Investment and Reform Act of the 21<sup>st</sup> Century (AIR 21) reauthorized the airports' federal grant process and also added a new requirement for airports to develop a competition plan. Medium or large hub airports with more than 50 percent of the passenger traffic handled by two or fewer airlines must prepare a competition plan. RTIA fell into this category. A competition plan dated December 7, 2000, was prepared and forwarded to the FAA. The plan was accepted by the FAA as was the 2003 update. Recent legislation removed the requirement to periodically update the competition plan until an airport has denied an airline access or the airport negotiates a new airline agreement.

The purpose of a competition plan is to demonstrate that an airport is not restricting competition among the airlines by creating barriers to air service. The RTAA's competition plan is available on the RTAA web site at [renoairport.com](http://renoairport.com). A competition plan is necessary before new Passenger Facility Charge programs will be approved and before any FAA grants will be awarded in the Federal fiscal year beginning each October.

**Airport Improvement Program (AIP)**

AIP grants are offered to the Authority to provide funding assistance to those eligible capital projects that meet the criteria of the federal program. The objective of this federal program is to assist in the development of a nationwide system of public use airports, to ensure the safe and secure operation of the airport and airway system, and to meet the projected needs of the public. The program not only provides funding for development projects, but also airport planning and noise compatibility programs. The program is funded by aviation use fees, which are collected and deposited into the Airport and Airway Trust Fund that generates the revenues in support of the AIP. The U.S. Congress authorizes expenditures from this dedicated fund on an annual basis each year. The AIP program includes entitlement and discretionary funding. Entitlement funds are awarded to eligible sponsors through a formula based on the number of passenger boardings and

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cargo tonnage. Discretionary funds are set aside to provide the FAA the flexibility to fund various high priority programs.

The AIP Program typically provides funds 93.75% of eligible project for Reno-Tahoe International Airport and 95% for Reno-Stead. The Authority's General Purpose and Special Funds are used for the RTAA's (sponsor's) portion of the FAA grants.

During FAA Fiscal Year 2009 ending September 30, 2009, the Authority received \$26.57 million of AIP grants for Reno-Tahoe International Airport and \$400,000 for Reno-Stead Airport.

**Passenger Facility Charge (PFC)**

PFCs were initially authorized through the Aviation Safety and Capacity Expansion Act of 1990. The Act allowed public agencies, which manage commercial airports, to charge each enplaning passenger a facility charge in accordance with FAA requirements. The passenger facility charge is levied on the passenger tickets, collected by the airline, and forwarded to the airport (less a handling fee charged by the airlines). The revenues collected are to preserve or enhance safety, security, and capacity, to reduce noise, or to enhance competition. The primary difference between AIP and PFC is that the PFC is a fee directly to the passenger, is administratively retained by the airport, and is considered local funds versus airport funds.

In October 1993, the Authority received approval from the Federal Aviation Administration (FAA) to impose a PFC of \$3.00 per enplaned passenger. Collection began January 1, 1994. In May 2001 that amount increased to \$4.50 per enplaned passenger with collection beginning August 1, 2001. Several FAA approved projects are being funded by the PFC collections.

Currently, the Authority has received collection authority to impose and use \$108,633,013 on four open FAA approved PFC applications. Through March 31, 2010, the Authority has collected \$73,381,166 of PFCs on these open applications, including interest earned thereon. In Fiscal Year 2008-09, the Authority collected \$7.65 million of PFC revenue and, due to lower passenger traffic, is forecasting revenues of \$6.76 million and \$6.98 million for FY 2009-10 and FY 2010-11, respectively.

Reno-Tahoe Airport Authority  
**CAPITAL IMPROVEMENT PROGRAM - OVERVIEW**  
**SOURCES & USES OF FUNDS BY LOCATION**  
 (Escalated Dollars)

Prior Years Actual	FY 2009-10		FY 2010-11		FY 2011-12		FY 2012-13		FY 2013-14		FY 2014-15		FY 2015-16		Total FY10-16 Forecast
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast									
18,338,924	21,314,035	34,360,720	31,629,384	24,110,691	19,636,333	22,437,500	10,554,500	182,382,086							
1,472,486	655,438	4,199,953	2,000,000	2,000,000	40,000	5,085,225	13,775,675	29,228,777							
43,565,486	20,257,349	-	-	-	-	-	-	63,822,835							
-	51,250	1,099,250	-	-	-	-	-	1,150,500							
405,587	5,857,944	337,000	3,314,500	6,785,500	1,950,000	1,500,000	1,500,000	21,650,531							
1,361,113	467,730	560,000	500,000	1,500,000	-	-	-	4,388,843							
1,353,544	459,811	3,760,818	5,459,586	4,462,106	180,000	180,000	180,000	16,035,865							
<b>66,497,140</b>	<b>49,063,557</b>	<b>44,317,740</b>	<b>42,903,470</b>	<b>38,858,297</b>	<b>21,806,333</b>	<b>29,202,725</b>	<b>26,010,175</b>	<b>318,659,437</b>							
1,536,558	1,514,341	1,406,353	1,371,849	1,390,545	1,402,693	1,415,148	1,427,915	11,465,402							
25,265,574	20,080,177	30,619,316	28,379,645	20,448,359	11,036,369	13,671,782	17,095,374	166,596,596							
35,588,537	17,719,674	2,799,790	6,360,050	9,885,150	6,858,000	11,430,000	4,572,000	95,213,200							
-	-	-	-	-	-	-	-	-							
3,113,566	4,495,172	7,415,918	5,705,631	4,813,190	2,329,271	2,505,795	2,734,886	33,113,428							
-	-	-	-	-	-	-	-	-							
-	-	-	-	-	-	-	-	-							
239,543	130,179	1,646,363	906,294	2,141,053	-	-	-	5,063,432							
-	-	-	-	-	-	-	-	-							
-	4,373,688	-	-	-	-	-	-	4,373,688							
-	160,000	250,000	-	-	-	-	-	410,000							
25,002	410,326	-	-	-	-	-	-	435,328							
728,362	180,000	180,000	180,000	180,000	180,000	180,000	180,000	1,988,362							
<b>66,497,140</b>	<b>49,063,557</b>	<b>44,317,740</b>	<b>42,903,470</b>	<b>38,858,297</b>	<b>21,806,333</b>	<b>29,202,725</b>	<b>26,010,175</b>	<b>318,659,437</b>							

**USES OF FUNDS**

Airside  
 Terminal  
 Baggage Handling System  
 Landside  
 Other  
 Administrative  
 Stead

**SOURCES OF FUNDS**

Federal Grants -Entitlement  
 Federal Grants -Discretionary  
 Passenger Facility Charges  
 Operating Funds  
 General Purpose  
 Pre-Bond Funds  
 Fuel Tax Fund  
 Special Purpose Fund  
 RTAA Grant Fund  
 RTAA Flood Fund  
 RTAA Conduit Fund  
 Acquisition Fund  
 Consent Degree Fund

Reno-Tahoe Airport Authority  
**CAPITAL IMPROVEMENT PROGRAM - OVERVIEW**  
**SOURCES & USES OF FUNDS BY LOCATION**  
(Escalated Dollars)

	Prior Years Actual	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	Total FY10-16 Forecast
		Forecast							
<b>AIRSIDE PROJECTS</b>									
SIDA Access Control, Ph 1 -Design	859,069	420,931	-	-	-	-	-	-	1,280,000
SIDA Access Control, Ph. 2	-	2,931,667	2,931,667	-	-	-	-	-	5,863,333
Runway Safety Area	2,976,820	2,325,580	-	-	-	-	-	-	5,302,400
Rehab Terminal Apron - Ph. 10	2,493,974	254,774	-	-	-	-	-	-	2,748,748
Airfield Lighting System Upgrade	214,690	1,251,976	4,399,999	-	-	-	-	-	5,866,665
Replacement Snow Removal Equipment, Ph 1	54,510	503,700	2,799,790	-	-	-	-	-	3,358,000
Noise Monitoring System & Easements	1,087,689	912,311	-	-	-	-	-	-	2,000,000
Land Acquisition	1,506,161	627,172	-	-	-	-	-	-	2,133,333
FAR Par 150 Noise Insulation Program, Phase 16	4,239,638	27,028	-	-	-	-	-	-	4,266,666
FAR Par 150 Noise Insulation Program, Phase 17	4,232,639	2,425,521	808,507	-	-	-	-	-	7,466,667
FAR Par 150 Noise Insulation Program, Phase 18	304,793	914,281	2,590,463	2,590,463	-	-	-	-	6,400,000
Taxiway "Q" Reconstruction (Design)	12,722	393,278	-	-	-	-	-	-	406,000
Terminal Apron Reconstruction, Ph 11	3,531	2,235,288	2,235,288	-	-	-	-	-	4,474,108
Terminal Apron Reconstruction, Ph 12	2,364	2,111,383	703,794	-	-	-	-	-	2,817,542
Terminal Apron Reconstruction, Ph 13	187,300	903,175	2,709,525	-	-	-	-	-	3,800,000
FAR Par 150 Noise Insulation Program, Phase 19	-	546,233	2,458,050	2,458,050	-	-	-	-	5,462,334
FAR Par 150 Noise Insulation Program, Phase 20	-	224,259	1,345,551	672,776	-	-	-	-	2,242,585
Air Pavement Maintenance Program (2008-2009)	156,506	27,692	-	-	-	-	-	-	184,198
ATCT Beacon	6,518	18,482	-	-	-	-	-	-	25,000
Install Safe Drains	-	16,150	-	-	-	-	-	-	16,150
Taxiway "L" Extension (Design)	-	150,000	-	-	-	-	-	-	150,000
Taxiway "C" Extension (Design)	-	120,000	-	-	-	-	-	-	120,000
Snow Removal Equipment Building (Design)	-	619,800	-	-	-	-	-	-	619,800
Taxiway "L" Extension to Wash Rack	-	34,423	-	-	-	-	-	-	34,423
Airfield Pavement Maintenance Program (2009-10)	-	144,345	433,036	-	-	-	-	-	577,381
Terminal Apron Reconstruction Phase 14 (Design & Const.)	-	714,585	4,644,800	1,786,462	-	-	-	-	7,145,846
Terminal Apron Reconstruction Phase 15-18 (Design)	-	460,000	1,840,000	-	-	-	-	-	2,300,000
Airfield Pavement Maintenance Program 2010-11	-	-	171,250	513,750	-	-	-	-	685,000
Drainage Ditch Improvements TWY "A"	-	-	125,000	-	-	-	-	-	125,000
Install 300 ft of Fence at FAA Tower	-	-	10,000	-	-	-	-	-	10,000
Airfield Maintenance Roof Replacement	-	-	148,000	-	-	-	-	-	148,000
Rehab of Runway 16L/34R Touchdown Areas (Design)	-	-	247,500	82,500	-	-	-	-	330,000
Terminal Apron Reconstruction Phase 15 (construction)	-	-	1,800,000	5,400,000	-	-	-	-	7,200,000
Taxiway "Q" Reconstruction (Construction)	-	-	1,041,000	3,123,000	-	-	-	-	4,164,000
Pave Ease Side Perimeter and ILS Roads (Design)	-	-	62,500	187,500	-	-	-	-	250,000
South Airfield Wildlife Hazard Abatement Measures	-	-	855,000	1,995,000	-	-	-	-	2,850,000
Replacement Snow Removal Equipment, Ph 1	-	-	2,565,000	-	-	-	-	-	2,565,000
Snow Removal Equipment Building (Construction)	-	-	2,545,050	7,635,150	-	-	-	-	10,180,200
Central Disposal Facility Upgrades	-	-	750,000	750,000	-	-	-	-	1,500,000
Pave Ease Side Perimeter and ILS Roads (Construction)	-	-	1,083,750	1,625,625	-	-	-	-	2,709,375
Rehab of Runway 16L/34R Touchdown Areas (Construction)	-	-	1,880,000	1,880,000	-	-	-	-	3,760,000
Terminal Apron Reconstruction Phase 16 (Construction)	-	-	3,255,000	3,255,000	-	-	-	-	6,510,000

Reno-Tahoe Airport Authority  
**CAPITAL IMPROVEMENT PROGRAM - OVERVIEW**  
**SOURCES & USES OF FUNDS BY LOCATION**  
 (Escalated Dollars)

Prior Years Actual	FY 2009-10		FY 2010-11		FY 2011-12		FY 2012-13		FY 2013-14		FY 2014-15		FY 2015-16		Total	
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	FY10-16 Forecast	Forecast								
	\$ 18,338,924	\$ 21,314,035	\$ 34,360,720	\$ 31,629,384	\$ 24,110,691	\$ 19,636,333	\$ 22,437,500	\$ 10,554,500	\$ 182,382,086							
<b>AIRSIDE PROJECTS</b>																
	-	-	-	45,000	-	45,000	-	-	-	-	-	-	-	-	90,000	-
Airfield Maint. Remaining Ph. I Improvements (Design)	-	-	-	533,333	-	533,333	-	45,000	-	-	-	-	-	-	5,333,333	-
Part 150 Noise Insulations, Phase 21	-	-	-	162,750	-	162,750	-	3,733,333	-	1,066,667	-	-	-	-	5,333,333	-
Airfield Maint. Remaining Ph. I Improvements (Construction).	-	-	-	-	-	-	-	488,250	-	-	-	-	-	-	651,000	-
Terminal Apron Reconstruction Phase 17 (Construction)	-	-	-	-	-	-	-	4,165,000	-	4,165,000	-	-	-	-	8,330,000	-
Part 150 Noise Insulations, Phase 22	-	-	-	-	-	-	-	533,333	-	3,733,333	-	-	-	-	5,333,333	-
Southwest Air Cargo Ramp	-	-	-	-	-	-	-	-	-	1,066,667	-	-	-	-	22,860,000	-
Terminal Apron Reconstruction Phase 18 (Construction)	-	-	-	-	-	-	-	-	-	6,858,000	-	-	-	-	6,560,000	-
Part 150 Noise Insulations, Phase 23	-	-	-	-	-	-	-	-	-	3,280,000	-	-	-	-	5,333,333	-
Part 150 Noise Compatibility Update	-	-	-	-	-	-	-	-	-	533,333	-	-	-	-	5,333,333	-
Airport Master Plan Update	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,000,000	-
South Central Disposal Facility (Design)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,000,000	-
Part 150 Noise Insulations, Phase 24	-	-	-	-	-	-	-	-	-	-	-	-	-	-	510,000	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,333,333	-
	\$ 1,384,375	165,625	-	-	-	-	-	-	-	-	-	-	-	-	1,550,000	-
Terminal Complex Schematic Design	60,977	1,720	-	-	-	-	-	-	-	-	-	-	-	-	62,697	-
Hotel / Motel Phone Board	9,854	187,633	-	-	-	-	-	-	-	-	-	-	-	-	207,487	-
Baggage Claim Roof Repair - Sect. 12	7,760	137,099	-	-	-	-	-	-	-	-	-	-	-	-	144,859	-
Terminal Roof - Sect. 2	8,210	113,361	-	-	-	-	-	-	-	-	-	-	-	-	121,571	-
Terminal Roof - Sect. 4 (Atrium)	-	40,000	-	-	-	-	-	-	-	-	-	-	-	-	40,000	-
Baggage Claim Lighting Retrofit	1,310	-	-	-	-	-	-	-	-	-	-	-	-	-	16,000	-
Digital Advertising Program Enhancements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,446,763	-
VALE - Energy Mgmt. System (Design & Const.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	200,000	-
Energy Management Control System Phase 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	250,000	-
Terminal Lighting Retrofit Phase 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	38,500	-
Terminal Roof Replacement Area #3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	250,000	-
Bag Claim Exterior Wall Refinish	-	-	-	-	-	-	-	-	-	-	-	-	-	-	200,000	-
Terminal Refurbishment Project	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,000,000	-
Environmental Assessment for Development of Terminal Facilities	-	-	-	-	-	-	-	-	-	40,000	-	-	-	-	800,000	-
Concourse "A" Structure (Design)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,376,250	-
Concourse "A" Apron (Design)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,128,750	-
	\$ 1,472,486	\$ 655,438	\$ 4,199,953	\$ 2,000,000	\$ 2,000,000	\$ 40,000	\$ 5,085,225	\$ 13,775,675	\$ 29,228,777							
<b>BAGGAGE HANDLING</b>																
	43,565,486	19,857,349	-	-	-	-	-	-	-	-	-	-	-	-	63,422,835	-
Integrated In-Line Explosive Detection (ABC)	-	400,000	-	-	-	-	-	-	-	-	-	-	-	-	400,000	-
Baggage Handling System - Initial Inventory Purchase																
	\$ 43,565,486	\$ 20,257,349	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63,822,835	\$ -

Reno-Tahoe Airport Authority  
**CAPITAL IMPROVEMENT PROGRAM - OVERVIEW**  
**SOURCES & USES OF FUNDS BY LOCATION**  
 (Escalated Dollars)

Prior Years Actual	FY 2009-10		FY 2010-11		FY 2011-12		FY 2012-13		FY 2013-14		FY 2014-15		FY 2015-16		Total FY10-16 Forecast
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
	\$ -	\$ 51,250	\$ 1,099,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,150,500
<b>LANDSIDE PROJECTS</b>															
-	51,250	153,750	-	-	-	-	-	-	-	-	-	-	-	-	205,000
-	-	400,000	-	-	-	-	-	-	-	-	-	-	-	-	400,000
-	-	500,000	-	-	-	-	-	-	-	-	-	-	-	-	500,000
-	-	45,500	-	-	-	-	-	-	-	-	-	-	-	-	45,500
<b>OTHER PROJECTS</b>															
12,542	88,926	-	-	-	-	-	-	-	-	-	-	-	-	-	101,467
5,000	22,500	-	-	-	-	-	-	-	-	-	-	-	-	-	27,500
7,460	173,900	-	-	-	-	-	-	-	-	-	-	-	-	-	181,360
380,586	859,930	-	-	-	-	-	-	-	-	-	-	-	-	-	1,240,516
-	25,000	-	-	-	-	-	-	-	-	-	-	-	-	-	25,000
-	100,000	-	-	-	-	-	-	-	-	-	-	-	-	-	100,000
-	75,000	-	-	-	-	-	-	-	-	-	-	-	-	-	75,000
-	39,000	-	-	-	-	-	-	-	-	-	-	-	-	-	39,000
-	100,000	100,000	-	-	-	-	-	-	-	-	-	-	-	-	200,000
-	4,373,688	-	-	-	-	-	-	-	-	-	-	-	-	-	4,373,688
-	-	12,000	-	-	-	-	-	-	-	-	-	-	-	-	12,000
-	-	200,000	-	-	-	-	-	-	-	-	-	-	-	-	200,000
-	-	25,000	-	-	-	-	-	-	-	-	-	-	-	-	25,000
-	-	-	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	7,500,000
-	-	-	312,000	728,000	-	-	-	-	-	-	-	-	-	-	1,040,000
-	-	-	1,502,500	4,507,500	-	-	-	-	-	-	-	-	-	-	6,010,000
-	-	-	-	50,000	450,000	-	-	-	-	-	-	-	-	-	500,000
\$ 405,567	\$ 5,857,944	\$ 337,000	\$ 3,314,500	\$ 6,785,500	\$ 1,950,000	\$ 1,950,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 21,650,531
<b>ADMINISTRATION PROJECTS</b>															
132,329	-	-	-	-	-	-	-	-	-	-	-	-	-	-	132,329
1,219,074	123,597	-	-	-	-	-	-	-	-	-	-	-	-	-	1,342,671
9,710	184,133	-	-	-	-	-	-	-	-	-	-	-	-	-	193,843
-	160,000	-	-	-	-	-	-	-	-	-	-	-	-	-	160,000
-	-	250,000	-	-	-	-	-	-	-	-	-	-	-	-	250,000
-	-	100,000	-	-	-	-	-	-	-	-	-	-	-	-	100,000
-	-	60,000	-	-	-	-	-	-	-	-	-	-	-	-	60,000
-	-	150,000	-	-	-	-	-	-	-	-	-	-	-	-	150,000
-	-	-	500,000	1,500,000	-	-	-	-	-	-	-	-	-	-	2,000,000
\$ 1,361,113	\$ 467,730	\$ 560,000	\$ 500,000	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,388,843

Reno-Tahoe Airport Authority  
**CAPITAL IMPROVEMENT PROGRAM - OVERVIEW**  
**SOURCES & USES OF FUNDS BY LOCATION**  
 (Escalated Dollars)

	Prior	FY 2009-10		FY 2010-11		FY 2011-12		FY 2012-13		FY 2013-14		FY 2014-15		FY 2015-16		Total	
	Years Actual	Forecast	FY10-16 Forecast														
<b>RENO STEAD PROJECTS</b>																	
Shelter House - 125 Acres	190,468	-	180,000	-	-	-	-	-	-	-	-	-	-	-	-	190,468	
Stead Solvent Site	728,362	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	1,988,362	
Stead Masterplan Update	276,106	39,683	-	-	-	-	-	-	-	-	-	-	-	-	-	315,789	
Install Access Control Equipment	-	69,079	-	-	-	-	-	-	-	-	-	-	-	-	-	69,079	
Runway Safety Area Improvements (Design)	129,831	20,169	-	-	-	-	-	-	-	-	-	-	-	-	-	150,000	
Pave Shop Yard	-	-	215,000	-	-	-	-	-	-	-	-	-	-	-	-	215,000	
Hangar Concrete Pad Replacement	-	-	20,000	-	-	-	-	-	-	-	-	-	-	-	-	20,000	
Runway Safety Area Improvements (Construction) Ph I	-	28,575	514,353	28,575	-	-	-	-	-	-	-	-	-	-	-	571,503	
Runway Safety Area Improvements (Construction) Ph II	-	-	1,274,548	3,823,643	-	-	-	-	-	-	-	-	-	-	-	5,098,190	
Terminal/ Emergency Operations Command Center (Design)	28,777	122,304	1,556,918	-	-	-	-	-	-	-	-	-	-	-	-	1,708,000	
Terminal/ Emergency Operations Command Center (Construction)	-	-	-	1,427,369	4,282,106	-	-	-	-	-	-	-	-	-	-	5,709,474	
	<b>\$ 1,353,544</b>	<b>\$ 459,811</b>	<b>\$ 3,760,818</b>	<b>\$ 5,459,586</b>	<b>\$ 4,462,106</b>	<b>\$ 180,000</b>	<b>\$ 16,035,865</b>										
<b>Grand Total</b>	<b>\$ 66,497,140</b>	<b>\$ 49,063,557</b>	<b>\$ 44,317,740</b>	<b>\$ 42,903,470</b>	<b>\$ 38,858,297</b>	<b>\$ 21,806,333</b>	<b>\$ 29,202,725</b>	<b>\$ 26,010,175</b>	<b>\$ 318,665,437</b>								

**Reno-Tahoe Airport Authority**  
**2010-11**  
**ANNUAL BUDGET**  
**Section 3 – Trust Funds Summary**

The RTAA has several funds that accumulate money for specific and discretionary purposes. From a governmental accounting standpoint, the RTAA is an enterprise fund. These are not the governmental purpose type funds usually seen in governmental accounting, but bond trustee accounts. The funds mentioned in this section and their payment priority were established by the RTAA's revenue bond resolutions and are not inclusive of all the cash, cash equivalents and investments of the RTAA that are reflected on the Statement of Cash Flows in Section 5. These funds are common in the airport industry's revenue bond resolutions. The revenue bond resolutions are, in effect, the RTAA's contract with the purchasers of the revenue bonds. This contract specifies how the RTAA will manage its money so that it will have sufficient funds to operate the airport system, and to pay the interest and principal due on the revenue bonds.

There are several funds which are used to handle the daily receipts and disbursements. The funds with the most activity are the Revenue Fund, and the Operation and Maintenance Fund. All revenues flow through the Revenue Fund and are distributed as needed to the other funds listed below. All of these funds will remain in place until the RTAA's revenue bonds are repaid. The funds are listed in order of their priority.

The money in each fund is invested until needed. The RTAA's investment policy, Bond Resolution, and revenue bond insurance policy specifies the type of investments that may be made. The majority of the eligible investments must be backed by the full faith and credit of the United States government. The trustee bank, appointed by the RTAA to administer the revenue bond funds, holds the collateral for these investments.

The Operation and Maintenance Fund is the highest priority. The expenses to operate the airport system will be paid through this fund before any other transfers to lower priority funds. The operating budget of the RTAA flows through this fund. This amount is also shown on the Resources Applied by Organizational Unit page located in the Section 3 Expenditures section by taking the total operations and maintenance expense.

The next priority, the Bond Fund with its subaccounts of Interest and Principal, is used to accumulate funds for the semi annual interest payments, and the annual principal payments on the revenue bonds. The amounts in these funds vary depending on the amount of debt service to be paid during the year. The transfers being shown into this account are for the principal and interest due July 1, 2011 and the transfers out are for debt service due July 1, 2010. The Bond Reserve Fund has an amount or a surety bond equal to the largest annual principal and interest payment. If some event reduced airport revenues, and affected the RTAA's ability to pay its debt service, one year's debt service is available through the surety bond. This gives the RTAA one year to solve whatever problem is affecting revenues.

Any RTAA debt subordinate to the revenue bonds would be repaid with funds accumulated in the Subordinate Securities Fund. The RTAA has no such debt at this time.

**Reno-Tahoe Airport Authority**  
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**Section 3 – Trust Funds Summary**

The following funds have balances that are maintained beyond one fiscal year. The following schedules show the fund balances beginning in the fiscal year bonds were sold up to the present fiscal year.

The Operation and Maintenance Reserve Fund is to have on deposit an amount equal to two months of the annual operation and maintenance expense budget. The balance of this fund as of June 30, 2010 is \$5,900,221. Pursuant to the bond resolution, payments will be made to this fund during the fiscal year, if necessary, to satisfy the required balance at June 30, 2011 of \$6,009,404.

The Renewal and Replacement Fund maintains a balance set by management of \$780,000 for unexpected or emergency repairs. This is another fund with a balance to keep the airport running in the event some major unforeseen repair was needed that was not included in the annual budget. The fund has the required balance as of June 30, 2010.

The Special Fund is the next priority and receives 35% of the gaming concession revenue. The RTAA has used this fund for the Five-Year Plan Capital Improvement Program projects at the Reno-Stead Airport. The balance of this fund at June 30, 2010 is \$8,672,091.

The General Purpose Fund is the last priority and will receive the RTAA's share of the net revenues split with the airlines under the airline agreement. This fund will be used for Five-Year Capital Improvement Plan projects at the Reno-Tahoe International Airport. The balance of this fund at June 30, 2010 is \$16,438,282. The expenditures from this fund are for equipment and capital projects being purchased in the 2010-11 fiscal year that will be included in the airlines rates and charges in subsequent years through amortization and the RTAA's share of federally funded projects.

**Reno-Tahoe Airport Authority**  
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**Section 3 – Trust Funds Summary**

Summary of Application of Revenues In Order of  
Priority As Established by the Bond Resolutions

<b>Priority</b>	<b>Revenue Fund</b>
(1)	Operation and Maintenance Fund
(2)	Bond Fund
	Interest Account
	Principal Interest
(3)	Reserve Account
(4)	Payment of Subordinate Securities
(5)	Operation and Maintenance Reserve Fund
(6)	Renewal and Replacement Fund
(7)	Special Fund
(8)	General Purpose Fund

RENO-TAHOE AIRPORT AUTHORITY  
 PROJECTED BALANCE OF CASH AND INVESTMENT ACCOUNTS AND SUB-ACCOUNTS  
 ESTABLISHED BY REVENUE BOND RESOLUTIONS  
 FOR THE YEAR ENDED JUNE 30, 2011

	<u>Issuer Cash and Investment Accounts</u>		<u>Bond Fund</u>	
	Special Fund	Operation & Maintenance Fund	Interest Fund 2003	Interest Fund 2005
Balance June 30, 2010 (Unaudited)	\$ 8,672,091	\$ 5,750,000	\$ 406,625	\$ 687,737
Receipts:				
Gross pledged revenues received:				
Deposits from Airport revenues				
Income received from investments pledged portion				
FAA Grants and other contributions				
Transfer among funds:				
Gaming revenue	792,435			
Operation and maintenance expenses		36,056,426		
Debt service requirements			208,250	1,335,400
Replenish fund for expenditures				
Maintain reserve requirement				
Equipment and capital projects in airline rates	-	511,880		
Disbursements:				
Operation and maintenance expenses		(36,056,426)		
Equipment and capital outlay		(511,880)		
Payment of revenue bond interest and principal			(510,750)	(1,355,438)
Other capital improvement expenditures	(1,646,363)			
<u>Projected Balance at June 30, 2011</u>	<u>\$ 7,818,163</u>	<u>\$ 5,750,000</u>	<u>\$ 104,125</u>	<u>\$ 667,699</u>

RENO-TAHOE AIRPORT AUTHORITY  
 PROJECTED BALANCE OF CASH AND INVESTMENT ACCOUNTS AND SUB-ACCOUNTS  
 ESTABLISHED BY REVENUE BOND RESOLUTIONS  
 FOR THE YEAR ENDED JUNE 30, 2011

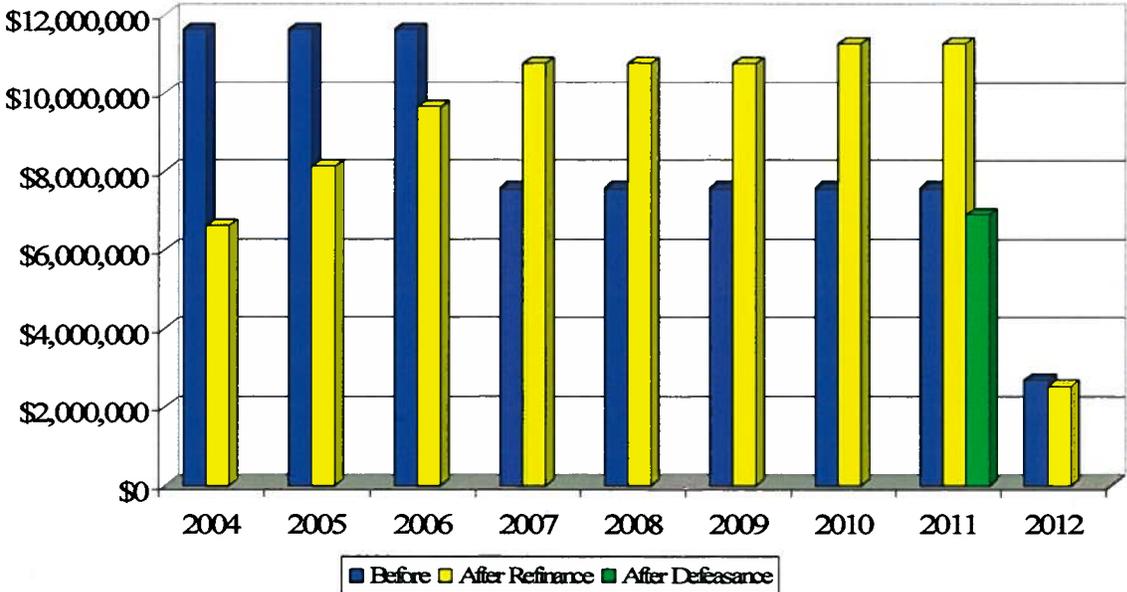
Bond Fund		Trustee's Cash and Investment Accounts				
Principal Fund 2003	Principal Fund 2005	Operations & Maintenance Reserve Fund	Renewal & Replacement Fund	General Purpose Fund	Revenue Fund	Totals
\$ 7,935,000	\$ 1,145,000	\$ 5,900,221	\$ 780,000	\$ 16,438,282	\$ 150,000	\$ 47,864,956
					45,092,396	45,092,396
					371,600	371,600
				32,025,669		32,025,669
					(792,435)	-
					(36,056,426)	-
4,165,000	1,185,000				(6,893,650)	-
				740,021	(1,209,605)	(469,583)
		109,183			-	109,183
					(511,880)	-
				(870,400)		(36,926,826)
						-
						(511,880)
(7,935,000)	(1,145,000)					(10,946,188)
				(39,441,587)		(41,087,951)
<u>\$ 4,165,000</u>	<u>\$ 1,185,000</u>	<u>\$ 6,009,404</u>	<u>\$ 780,000</u>	<u>\$ 8,891,985</u>	<u>\$ 150,000</u>	<u>\$ 35,521,376</u>

**Reno-Tahoe Airport Authority  
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Section 3 – Debt Summary**

The debt service appearing in the budget are derived from the revenue bond interest and principal payments. Total debt service for 2010-11 is budgeted at \$6,893,650. Debt service has decreased by \$4,375,075 from the FY 2009-10 Budget of \$11.27 million due to the debt defeasance at the end of the 2009-10 fiscal year. As a result, the airlines benefit in FY 2010-11 from lower landing fees and terminal rental rates and the Authority’s coverage ratio increases to 166 percent from the 130 percent in the FY 2009-10 Budget. This defeasance is a key provision in the new airline use and lease agreement that allowed the Authority to obtain greater upfront recovery of terminal costs and restoration of annual cash to historic levels over the next five years.

Prior to the debt defeasance, the current debt structure reflected a series of re-financings completed in 2002 and 2003 to assist the airlines after the terrorist attack of September 11, 2001.

**Refinanced Debt**



Without the restructuring, the scheduled debt service in FY 2010-11 would have been \$7,568,997. This proactive step to the terrorist attack was taken to provide immediate short-term relief to the airlines. Unfortunately, the impact of the recent economic slowdown has had a more prolonged and long term impact.

Starting in FY 2011-12, annual debt service will decrease to \$2.5 million or a 63% drop from the \$6.9 million in the current budget. This retirement of debt will provide a considerable amount of financial flexibility especially during these difficult economic times.

The administration of the RTAA's debt is controlled by Nevada legislation, the Local Government Securities Law, and the bond resolutions adopted when revenue bonds were sold to finance airport

**Reno-Tahoe Airport Authority**  
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**Section 3 – Debt Summary**

improvements. Federal laws must also be complied with for the revenue bond interest to be non-taxable to the holders of the debt. Federal, and state laws specify the public notices, and hearings that must be conducted, and the approvals needed when money is to be borrowed. The Local Government Securities Law and the bond resolutions also control short term financings as well.

**ALLOWED PURPOSES AND TYPES OF DEBT**

Most local governments issue general obligation bonds. The repayment of general obligation bonds is secured by the taxing power of the local government. A statutory ratio of outstanding general obligation debt to assessed valuation often limits the maximum amount of general obligation debt a local government may have outstanding. Since the RTAA does not receive any property or general sales taxes, an assessed value based debt limitation does not apply. The RTAA has sold only revenue bonds to finance the construction of airport projects. The bonds are called revenue bonds because the repayment of the bonds is secured by the revenue of the airport system. The entity issuing the revenue bonds must have sufficient revenues to pay the debt service of the bonds sold. The RTAA bonds all have fixed interest rates. Variable rate bond issues have not been necessary to finance the capital needs of the RTAA. Bonds are also only sold for the construction of projects with useful lives that exceed the life of the bond issue.

The RTAA has issued revenue bonds first to finance airport improvement projects, and then to refinance or refund the outstanding bonds to obtain lower interest rates. The bonds issued in 1982 were used to construct airfield improvements and expand the terminal building. The 1982 bonds were refunded 1993B bond issues respectively. The 1993B bonds were refunded again in 2003 as interest rates fell even lower. The Series 2003 Bonds will be paid in full prior to July 1, 2011.

The 1996A and 1996B revenue bonds were issued in April 1996 to fund the construction of a vehicle parking structure. The interest received by RTAA bondholders can be tax exempt or taxable depending on the use of the bond proceeds. The series 1996A is the tax-exempt portion for the construction of the parking structure. Series 1996B Bonds, which were repaid in FY 2008-09, were for land acquisition that may be leased to a private party, and due to Internal Revenue Service rules had to be sold as taxable bonds. The 1996A bonds were also refinanced in July 2005 to take advantage of lower interest rates. No restructuring of principal repayment was done for these bonds. After FY 2010-11, the Series 2005 bonds will be the only debt outstanding.

**DEBT LIMIT**

The RTAA's debt is limited by the outstanding bond resolution requirement that net revenues (operating revenues less operating expenses) pledged to pay debt service exceed 125% of annual debt service. This test of net pledged revenues is shown on the last page of this section. Other schedules show the current and future year's debt service amounts. The RTAA has a cap on annual debt service, not a cap on the amount of outstanding debt. This is a common provision in airport revenue bond resolutions.

**Reno-Tahoe Airport Authority**  
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**Section 3 – Debt Summary**

Part of the RTAA's process of selling revenue bonds is the issuance of a feasibility report by an airport consultant. This report projects airport revenues, airline rates, operating expenses, and the new and existing debt service. The consultant's report must project that net pledged revenues will exceed 125 percent of the annual amount needed for debt service, or the financing is neither feasible nor allowed by the additional bonds test of the existing bond resolution. This debt service limit is what controls the amount of debt the RTAA can feasibly have outstanding. Net revenues, pledged to pay debt service, must exceed 125 percent of annual debt service.

**DEBT STRUCTURE**

The principal and interest paid to the RTAA's bondholders is allocated to the cost centers based on the amount of the various bond issues' proceeds used for improvements in each cost center. Bonds sold to finance improvements in the airline costs centers, whose debt service would be included in airline rates, must be approved by the airlines through the Majority In Interest (MII) capital project review process provisions of the airline agreement.

The debt service is also structured not to begin until the facility being constructed with the proceeds is completed. This is done by delaying the repayment of principal until after the facility is occupied, and capitalizing the interest amounts due during the construction period. Capitalizing interest is done by selling additional bonds, above the amount needed for construction, resulting in additional funds to make the interest payments until the new facility is occupied and generating revenue. Offsetting the sale of additional bonds to pay interest is the practice of "net funding" the project by using the investment earnings on the bond proceeds unspent during the construction process. This reduces the amount of the bonds needed to pay for the construction.

Another aspect of selling revenue bonds is the use of enhancements to make the bonds as attractive as possible to potential buyers. Ratings from credit rating agencies are an enhancement used by the RTAA. The RTAA's rating prior to September 11<sup>th</sup> was A- by Fitch Ratings. After September 11<sup>th</sup>, Fitch reviewed all of their airport ratings and the RTAA was one of the airport ratings affirmed, and not downgraded. Other airports were not as fortunate. This rating is also known as the "underlying rating," or the uninsured rating.

In the 2004-05 fiscal year, RTAA staff was able to demonstrate the economic strength of the RTAA and the Reno-Tahoe area, which resulted in Fitch Ratings upgrading RTAA's bond rating from "A-" to "A" on July 7, 2005.

The RTAA's bond issues are also insured. This is another credit enhancement that results in lower interest rates and lower debt service expenditures. If the RTAA was not able to make a debt service payment, the insurance company would make the payment and seek reimbursement from the RTAA. Insured bond issues originally carry the "AAA" credit rating of the insurance company. During FY 2008-09, the national problems associated with the "subprime" mortgage market have affected all three of the bond insurance companies used by the RTAA. The insurance companies' previous AAA ratings have been downgraded. This downgrading of the bond insurers does not affect the amount of debt service paid by the RTAA or the financial condition of the Authority to make these payments.

**Reno-Tahoe Airport Authority  
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On August 17, 2009, Fitch Ratings put RTAA credit rating on negative watch citing the airport’s downward trend in passenger enplanements. Fitch indicated that additional capacity reductions and lower enplanements, resulting from the weakened overall regional economy, could pressure the Authority’s historically strong balance sheet and liquidity position. With the recent upturn in additional air service and signs of economic improvement, RTAA plans to request a credit rating review upon completion of the FY 2009-10 annual financial statement.

The outstanding bond issues and their ratings as of June 30, 2010 are summarized in the following table:

<b>Bond Issue</b>	<b>Insured Rating</b>	<b>Insurance Company</b>	<b>Underlying RTAA Rating</b>	<b>Coupon Interest Rates</b>
2003 Refunding	AA+	FSA	Fitch A Negative Outlook	3.0 percent to 5.0 percent
2005 Refunding	AA+	FSA	Fitch A Negative Outlook	3.0 percent to 5.0 percent

Nevada state law, the bond resolutions, and the bond insurance policies all define the allowable types of investments that can be made with bond proceeds in the Construction Fund during construction and operating revenues until needed to pay operating expenses. The bond insurance policies are the most restrictive. Only investments backed by the United States government are allowed.

**REFUNDING OF DEBT**

RTAA periodically evaluates the feasibility of refinancing portions of its outstanding revenue bond debt by issuing refunding bonds. At least a three percent (3%) net present value debt service savings is the minimum industry standard necessary to justify such refundings.

**Reno-Tahoe Airport Authority  
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Section 3 - Debt Summary**

<b>2010-11 Debt Service Allocation to Airport Cost Centers</b>						
	Principal		Interest		Total	
1983/1993B/2003	4,165,000		208,250		4,373,250	
1996A/2005	1,185,000		1,335,400		2,520,400	
<b>Total</b>					<b>6,893,650</b>	
	Airfield	Terminal	Ground Trans	Other	Reno Stead	Total
1983/1993/2003	0%	0%	22%	76%	2%	100%
1996A/2005			100%			100%
<b>Debt service</b>						
1983/1993/2003	-	-	962,115	3,323,670	87,465	4,373,250
1996A/2005	-	-	2,520,400	-	-	2,520,400
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,482,515</b>	<b>\$ 3,323,670</b>	<b>\$ 87,465</b>	<b>\$ 6,893,650</b>
<b>Coverage</b>	-	-	870,629	830,918	21,866	1,723,413
<b>Cap Interest</b>	-	-	-	-	-	-
<b>DS &amp; Coverage</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,353,144</b>	<b>\$ 4,154,588</b>	<b>\$ 109,331</b>	<b>\$ 8,617,063</b>

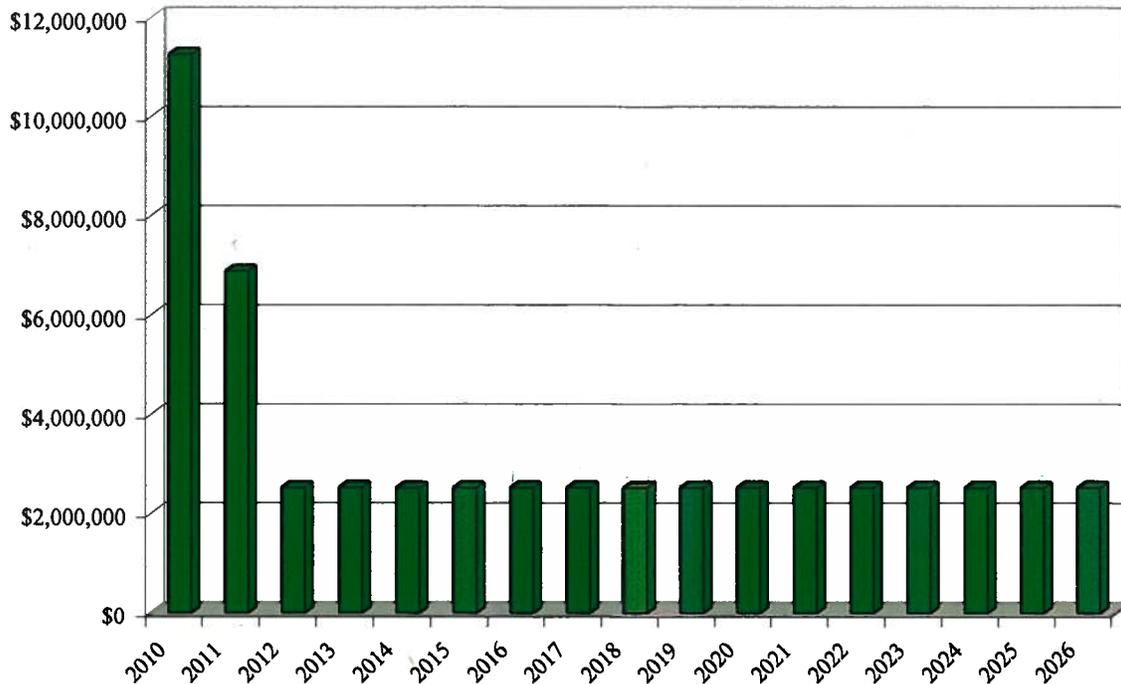
**Reno-Tahoe Airport Authority  
2010-11  
ANNUAL BUDGET  
Summary of Bonded Indebtedness**

	2003 Revenue Refunding Bonds	2005 Revenue Refunding Bonds	Total Bonded Indebtedness
Amount of original issue	\$ 29,215,000	\$ 29,775,000	\$ 83,000,000
Bonds / Notes retired	25,050,000	2,320,000	51,380,000
Bonds / Notes Outstanding July 1, 2010	<u>\$ 4,165,000</u>	<u>\$ 27,455,000</u>	<u>\$ 31,620,000</u>

**2010-11 Debt service requirement**

Principal payment due	\$ 7,935,000	\$ 1,145,000	\$ 9,080,000
Interest payment due	813,250	1,375,475	2,188,725
Total 2009-10 Debt Service	<u>\$ 8,748,250</u>	<u>\$ 2,520,475</u>	<u>\$ 11,268,725</u>

**Annual Debt Service**



**Reno-Tahoe Airport Authority**  
**2010-11**  
**ANNUAL BUDGET**  
**Schedule of Debt Service**

Bond Year Ended July 1	Airport Revenue Refunding Bonds Series 2003		Airport Revenue Refunding Bonds Series 2005		Total
	Principal	Interest	Principal	Interest	
2010	7,935,000	813,250	1,145,000	1,375,475	11,268,725
2011	4,165,000	208,250	1,185,000	1,335,400	6,893,650
2012			1,245,000	1,276,150	2,521,150
2013			1,310,000	1,213,900	2,523,900
2014			1,355,000	1,161,500	2,516,500
2015			1,420,000	1,101,300	2,521,300
2016			1,475,000	1,044,500	2,519,500
2017			1,550,000	970,750	2,520,750
2018			1,625,000	895,750	2,520,750
2019			1,705,000	814,500	2,519,500
2020			1,790,000	729,250	2,519,250
2021			1,880,000	639,750	2,519,750
2022			1,975,000	545,750	2,520,750
2023			2,075,000	447,000	2,522,000
2024			2,175,000	343,250	2,518,250
2025			2,285,000	234,500	2,519,500
2026			2,405,000	120,250	2,525,250
	<u>\$ 12,100,000</u>	<u>\$ 1,021,500</u>	<u>\$ 28,600,000</u>	<u>\$ 14,248,975</u>	<u>\$ 55,970,475</u>

**Reno-Tahoe Airport Authority**  
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**Net Pledged Revenues Test**

	2008-09 Actual	2009-10 Budget	2010-11 Budget
<b>Airport System Revenues</b>			
Scheduled airline fees and rentals			
Landing fees	\$6,231,678	\$8,395,417	\$5,204,804
Terminal building space rental	6,307,997	5,216,617	6,984,700
<b>TOTAL scheduled airline fees and rentals</b>	<u>12,539,675</u>	<u>13,612,034</u>	<u>12,189,504</u>
Concession fees	14,267,319	14,263,833	11,641,600
Baggage System Charges	-	1,964,000	2,595,012
Other operating revenues	17,795,759	17,014,656	18,339,180
<b>Total Operating Revenue</b>	<u>44,602,753</u>	<u>46,854,523</u>	<u>44,765,296</u>
Trust Fund Investment Income	1,132,326	481,500	375,500
Other Non-Operating Income	318,327	400,000	327,100
<b>Gross pledged revenues</b>	<u><u>46,053,406</u></u>	<u><u>47,736,023</u></u>	<u><u>45,467,896</u></u>
Transfers - General Purpose Fund for			
LOI Bond debt service	644,911	650,117	-
Airline revenue share	1,892,768	608,403	2,282,756
Airport system operation and maintenance expenses	(31,220,696)	(33,563,858)	(36,056,426)
35% of gaming revenue	<u>(946,661)</u>	<u>(829,150)</u>	<u>(792,435)</u>
<b>Net pledged revenues</b>	<u><u>\$16,423,728</u></u>	<u><u>\$14,601,535</u></u>	<u><u>\$10,901,791</u></u>
<b>Debt Service Coverage Required</b>	<u><u>\$13,460,781</u></u>	<u><u>\$14,085,906</u></u>	<u><u>\$8,617,063</u></u>
Greater of the following:			
125% of Senior Debt Service - Net of LOI Transfers	<u>13,460,781</u>	<u>14,085,906</u>	<u>8,617,063</u>
100% of All Debt Service - Net of LOI Transfers	<u>10,768,625</u>	<u>11,268,725</u>	<u>6,893,650</u>

**Reno-Tahoe Airport Authority  
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Section 4 – Supplemental Data**

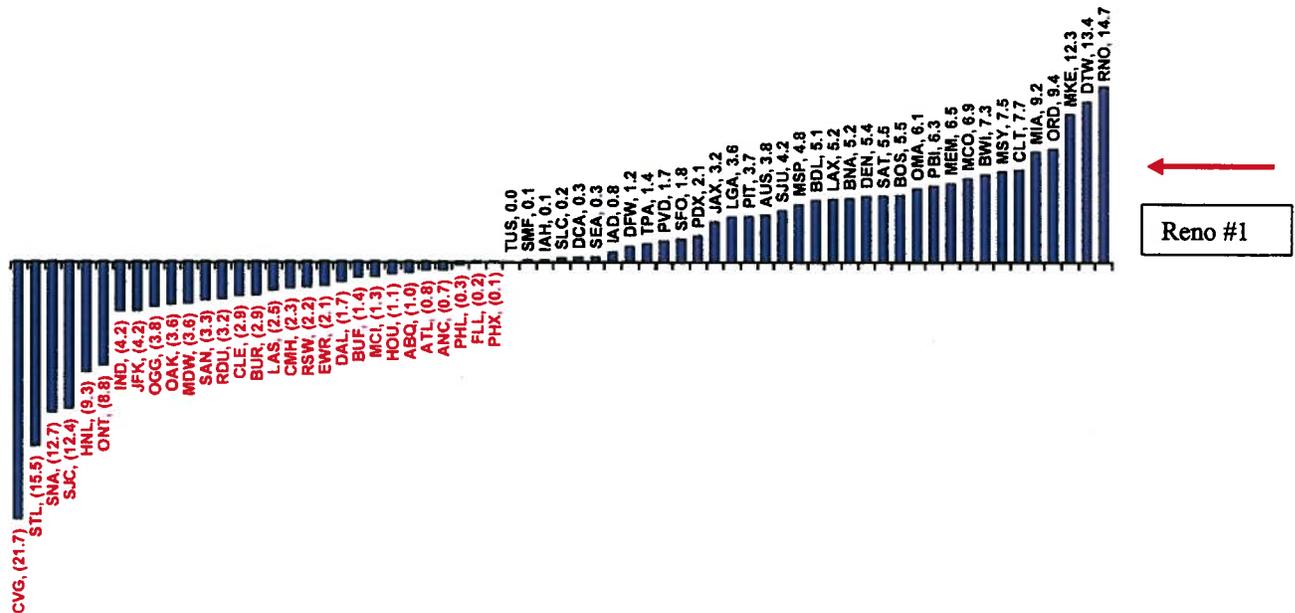
**Air Service Development**

While the number of flights and passengers at RNO is rebounding, the airline industry is still affected by the deep economic recession that began in 2008 and has continued into 2010. Due to a lack of both business and leisure passenger demand, airlines significantly reduced capacity in 2009, impacting airports across the nation. The price of oil, while down from the 2008 peak, remains somewhat volatile, adding further pricing difficulty to the airlines. Enplanement levels across the nation are at their lowest in years. Passenger activity decreased by 5.0 percent in the fiscal year 2009-10 compared to fiscal year 2008-09, as a result of the ongoing global economic recession, loss of capacity, and major events affecting airports nationwide. Fortunately for RTIA, airlines have returned a portion of the lost capacity at a much faster pace than other large or medium hubs across the nation. The Air Transport Association, which represents numerous airlines across the U.S., produced a report on June 4, 2010 illustrating RNO as the top medium or large hub airport in terms of recovered capacity, while numerous airports continue to lose capacity well into the second half of 2010. ATA’s chart is provided below. In June 2010 alone, RTIA was able to increase its number of daily departures by 7.5%

**Many Cities Still Experiencing Air Service Recession**

Many FAA “Large” and “Medium” U.S. Airports See Even Further Cuts Beyond 2009

**% Change in Scheduled-Service Departures: 3Q 2010 vs. 3Q 2009**



35 Sources: Innovata (June 4, 2010) and Federal Aviation Administration www.airlines.org

**Reno-Tahoe Airport Authority  
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 Section 4 – Supplemental Data**

<b>June</b>	<b>2009</b>	<b>2010</b>	<b>Difference</b>
Departures	67	72	7.5%
Seats	7,926	8,278	4.4%

Southwest Airlines, one of the nation’s financially healthy airlines, continues to serve RTIA as its largest air carrier, with approximately 52% of the total market share. RTIA offers better air service than any other airport for a city of comparable size anywhere in the United States. Six major/national airlines serve RTIA offering non-stop service to 15 cities, and make one-stop connections to virtually any major metropolitan city in the world.

Keeping airline rates low is critical. In the airline industry, “yield” refers to the fare an airline generates flying one passenger one mile. The latest Department of Transportation survey, year ending first quarter 2010, shows that airline yields at RTIA are 13.4¢. While this is a four percent decrease from the previous year’s yield of 14.1¢, it is significantly better than the 12% yield reduction experienced by the U.S. domestic market during 2009. In addition, the average stage length for flights operating to and from RTIA has increased, which typically lowers the average yield as fares remain stable.

The RTAA staff continues to actively pursue new air service. The President/CEO, Vice President of Air Service Business Development (ASBD), ASBD staff, key individuals from the Board of Trustees and Air Service Task Force continue to visit corporate executives of airlines currently serving RTIA, as well as airlines that do not. A business case is specifically tailored to the airline that includes an airline route analysis identifying the number of passengers flying between RTIA and target cities, forecasts profitability and how such a route would fit in an airline’s current route and rate structures. The process of gaining or maintaining air service takes a great amount of time and effort. Air service development is competitive, with over 400 airports in the U.S. calling on airlines to solicit new air service. In order to better understand RTIA’s current and potential markets, as well as to lower costs, the ASBD staff has taken on the responsibility of researching, compiling, analyzing and developing the vast majority of airlines route analyses and presentations, resulting in a cost savings of over \$150,000 per year. In calendar year 2009, the Air Service Business Development staff 53 individual airline meetings in order to remain top of mind with every carrier possible.

To make the addition of new air service more attractive for a current or new airline, and to compete with other airports seeking new air service, RTAA has adopted an airline incentive program for any airline establishing service to a market not currently served. This program allows up to 12 months of free terminal building rent and landing fees, or other negotiated items, depending on the size of the new market. RTAA also participates in the cost of cooperative advertising for new air service with the community’s Regional Marketing Committee (RMC). RTAA is committed to seeing that an airline is successful in new air service at RTIA. The airline’s success is an RTAA success.

**Reno-Tahoe Airport Authority**  
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**Section 4 – Supplemental Data**

Three major air cargo carriers, FedEx, United Parcel Service (UPS), and DHL serve RTIA. Air cargo activity decreased 3.6 percent from fiscal year 2008-09 to 2009-10, an improvement from the 11.1 percent reduction experienced in the previous fiscal year. Even though the recession continues to affect the global economy, air cargo has shown signs of significant improvement, which may be a sign of an improving economy. In the final six months of FY2009-10, air cargo improved 5.9 percent. This is due to the major warehousing, e-commerce and distribution facilities in the region. Growth in areas such as the Tahoe/Reno Industrial Center has continued to help spur cargo growth and economic diversity.

These companies not only affect the air cargo activity at the airport, but also accomplish the community's goal of further diversifying the local economy. Passenger surveys also indicate a significant number of business passengers, as opposed to tourism travelers, with the growing economic diversity in the region. Over thirty-five percent (35%) of non-resident and forty-seven percent (47%) of resident travelers are traveling for business purposes according to previous passenger surveys.

The air transportation industry is a major factor in northern Nevada's economy. Economic impact studies show there is a \$3.24 billion impact on the local economy from the RTAA airports and its passengers and tenants. This sector of the local economy provides close to 40,000 jobs.

**Local Community and the Airports**

The Reno- Tahoe International Airport (RTIA) is truly a regional airport serving over one million people in the cities of Reno, Sparks, Carson City, along with eight counties in Nevada, and five counties in north central California. RTIA is also the "gateway" to Lake Tahoe.

RTIA is located four miles southeast of Reno's central business district. The Reno-Stead Airport is located 11 miles northwest of the central business district. The state capital, Carson City, is 30 miles south of Reno. Elected officials and state employees use RTIA to get back to their constituents or to fly to the many state agencies located 350 miles to the south in Las Vegas. The closest competing airport is 115 miles away in Sacramento, California. Since Sacramento is separated from Reno by the Sierra Nevada Mountains, which can be difficult to cross in the winter snows, few western Nevada passengers use the Sacramento Airport. During severe flooding, and recent record snow storms, the mountain highways were closed, if not blocked, and the RTIA was the community's only means of departure from or access to the area. Many northern California, and Nevada residents drive to Reno for the cheaper flights offered by the low fare airlines at RTIA. Many also depart RTIA to make key connections to their international destinations.

The second airport operated by the RTAA is the Reno-Stead Airport, a general aviation airport. General aviation airports typically do not have scheduled air service, but do provide other aviation related facilities. The Reno-Stead Airport has military, helicopter, charter, and private

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aircraft operations. Aircraft owners or aviation related businesses lease land or buildings at Reno-Stead from the RTAA. Reno-Stead is also the home of the annual National Championship Air Races, a Bureau of Land Management base for fire fighting aircraft, and a Nevada Army National Guard helicopter base.

**Special Community Events**

The Reno-Tahoe region is described as “America’s Adventure Place”. With over five million annual visitors, Reno and Lake Tahoe events are growing each year. In addition to the area’s breath-taking beauty, Reno and Lake Tahoe offers an amazing mix of history, art, and culture. Tourism and conventions continue to be big business in the Reno-Sparks area.

The Reno-Sparks Convention & Visitors Authority (RSCVA) owns and operates several facilities designed to draw out of town visitors. For example, the National Bowling Stadium hosts three-month long bowling competitions with 70,000 to 90,000 bowlers. In 2009, the United States Bowling Congress Women’s Bowling Championship was held. A total of 8,330 five player teams representing 50 states and six foreign countries competed in the event that kicked off in March and ended in July. The men’s tournament will be held in 2011 with an estimated 85,000 bowlers and 60,000 guests. The economic impact for local restaurants, hotels, shops, and tourist attractions will be around \$127 million.

The Reno-Sparks-Tahoe area draws hundreds of thousands of visitors to northern Nevada for community-wide special events throughout the year. This year’s special event season started with the Reno Rodeo, a ten-day event in its 90th year, and a PRCA (Professional Rodeo Cowboys Association) sanctioned sporting event. The Reno Rodeo is a non-profit organization made up of over 350 volunteers with over 120,000 fans in attendance; it is the 4th largest PRCA tour rodeo. The event impacts the Reno-Sparks area economy by approximately \$42 million. The Reno Rodeo was nationally televised on OLN, ESPN, ESPN2 and CBS. This event is held at the Reno-Sparks Livestock Events Center, a 35,000 square feet exhibit space with an indoor arena seating 6,200 and a lighted outdoor arena seating 9,000.

Artown, noted by the National Endowment for the Arts as one of the most comprehensive festivals in the country, brings the arts to Reno each July with a packed calendar of events. Artown captures the imagination and brings with it a celebration of distinguished artists from around the world, across the country, and those that live in the community, all for the sake of cultural diversity and artistic innovation. To experience the best and the latest in visual and performing arts, Artown features more than 400 events, from over 100 presenters designed to inspire and impress the 350,000 people that experience the festival annually.

The first week of August is reserved for Hot August Nights; a celebration of the 50’s and 60’s emphasizing the cars of the era. More than 800,000 people flock to the event and bring an economic impact of \$351 million. There are more than 5,000 classic cars from 36 states across the nation, including Alaska, Massachusetts and Florida and three Canadian provinces.

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Californians bring over 2,500 cars for this event. Nevadans have over 1,500 cars entered and registration from the Pacific Northwest is strong with more than 280 from Oregon and 220 from Washington.

There are many great events in the area in September, and starting things off is the Best of the West Rib Cook Off held in the City of Sparks and sponsored by John Ascuaga's Nugget. Following the Rib Cook Off are the Reno Balloon Races. The Great Reno Balloon Races are the largest free hot air ballooning event in the nation. Throughout the event an estimated 140,000 spectators brave the early morning chill to view more than 100 balloons each year.

The blue September skies of Reno are also the home of the National Championship Air Races (NCAR). The NCAR and Air Show have run at the Reno-Stead Airport since 1964. The National Championship Air Races bring together hundreds of aviation and sports enthusiasts from around the world, including many residents of Reno and the surrounding areas. Race and air show participants include astronauts, airline pilots, and military and civilian aviators.

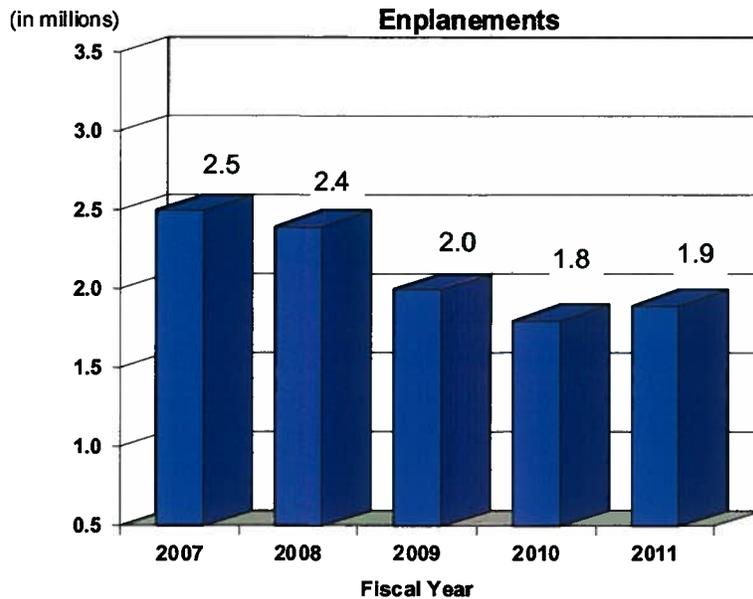
Street Vibrations is the place to be for those in search of a celebration of music, metal and motorcycles. An official Northern California Harley-Davidson Dealers Association event, Street Vibrations offers tours, entertainment, parades, ride-in shows, Chrome Alley retail vendors, Camel Roadhouse, the Harley-Davidson Factory Store, concerts and more. The event attracts an estimated 40,000 people to the Reno/Tahoe/Carson City area and has a local economic impact of \$72 million. Now ranked the 6th largest motorcycle event in the nation, Street Vibrations combines the best bikes the West has to offer with incredible bands on multiple stages throughout the community.

In addition, the Safari Club has over 20,000 attendees over a one week period and a new Volleyball Festival.

**Supplemental Information**

The following charts show five fiscal years of the RTAA's progress in activity levels and measures of financial effectiveness. The first three years' numbers on these charts are year-end actual amounts and the last two years' are the budgeted amounts. In addition, tables and charts the provide local demographic, employment, and economic information are provided

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**Enplaned Passengers**

Fiscal 2011 enplaned passengers at Reno-Tahoe International Airport are projected to be 1.93 million or 4 percent over the projected amount for 2010.

The past two years have been challenging with the global economy in recession and the Reno-Sparks-Tahoe market struggling with high unemployment, depressed housing prices, and uncertain consumer spending, which reflects concerns about jobs and income. Unfortunately, the Reno-Tahoe Airport Authority (RTAA) has not been immune from this unprecedented wave of activity.

Despite the difficult economic realities, the past few months have shown signs of recovery and in calendar year 2009 Reno-Tahoe Airport Authority (RTAA) registered historically high average passenger load factors of 80 percent, an increase of 5.3 percent over previous year. In 2010, airlines started to react to the increasing load factors and higher demand by offering more seating capacity and by adding additional service to some markets. According to the Air Transportation Association (ATA), the Reno-Tahoe International Airport (RNO) is the No. 1 airport in the nation in additional flights based on a comparison of the third quarter of 2010 to the third quarter of 2009.

Based on these changes, enplaned passengers are estimated to continue to increase in fiscal 2011 as compared to projected results for fiscal year 2010.

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**Airline Passenger Market Share**

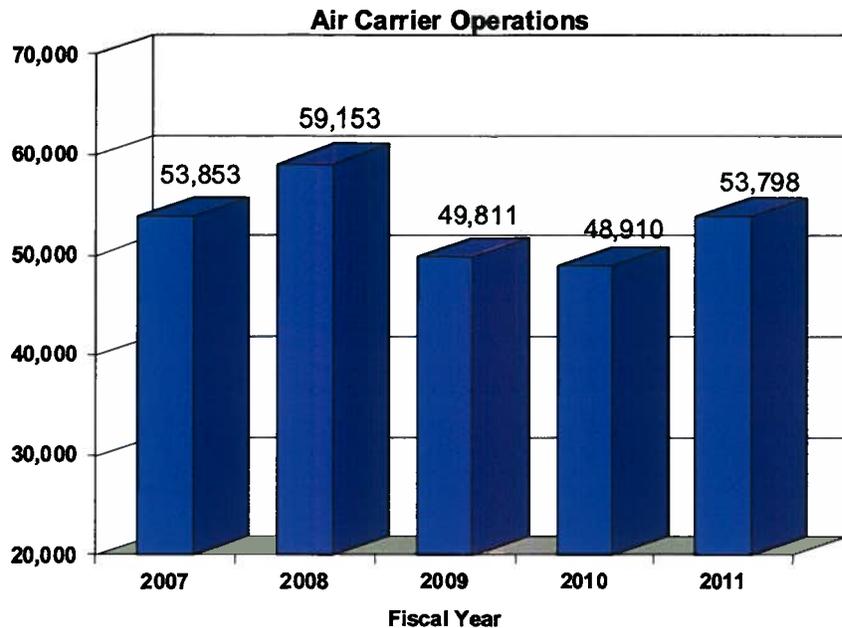
Southwest	1,022,318	54.2%
American	163,971	8.7%
United	161,396	8.6%
Horizon	141,106	7.5%
US Airways	140,501	7.4%
SkyWest	139,577	7.4%
Delta	93,341	4.9%
Allegiant	13,948	0.7%
Others	10,519	0.6%
Total	1,886,677	100%

**Airline Market Share**

The more diverse an airport's airline market the less susceptible that airport is to the effects of an airline having financial problems or changing flight activity. This table shows that the RTIA has seven main carriers providing 93.8 percent of the flights with another eight carriers making up the balance. This table is based on the actual enplaned passenger numbers for the period July 1, 2009 through June 30, 2010.

In last year's chart, Southwest had 52.7 percent of the passengers, United had 10.4 percent, Horizon had 8.9 percent, American had 8.7 percent, SkyWest had 6.1 percent, and US Airways had 4.8 percent. While one airline having such a large share of the passenger traffic might be a concern, Southwest is one of the most stable and financial strong airlines in today's difficult air travel market.

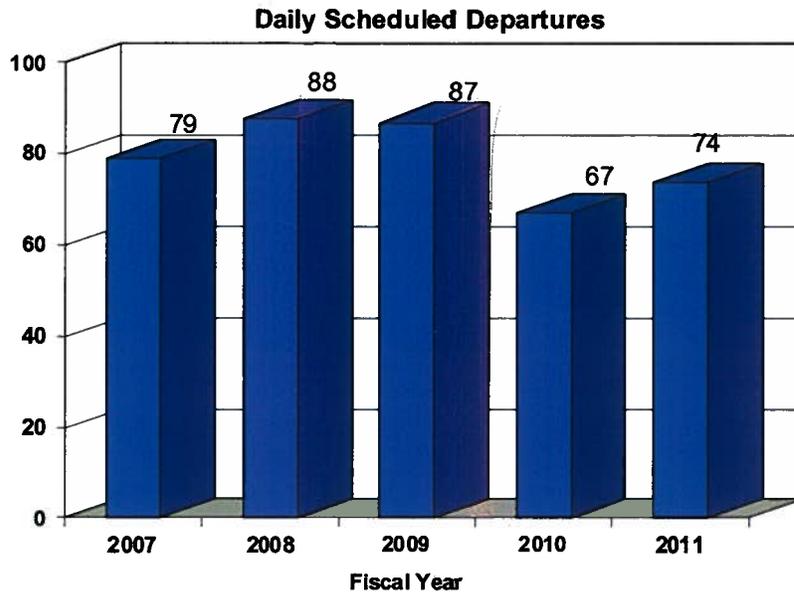
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**Annual Air Carrier Operations**

An operation is the term used to describe an aircraft landing or taking off. The operation numbers include both landings and takeoffs. Scheduled annual operations are the landings and takeoffs of the scheduled airline flights for an entire year. Operations are projected to increase to approximately 54,000 operations, a 10 percent increase in Fiscal Year 2011 as compared to Fiscal Year 2010 Budget. This amount does not include the other non-scheduled operations at the airport such as charter flights, military, or general aviation. The airport operations started to improve in FY 2010 and RTAA ended the year with better than budgeted results. We are anticipating this increasing trend to continue through fiscal year 2011, as a result of the airlines schedule changes to accommodate higher demands in our market.

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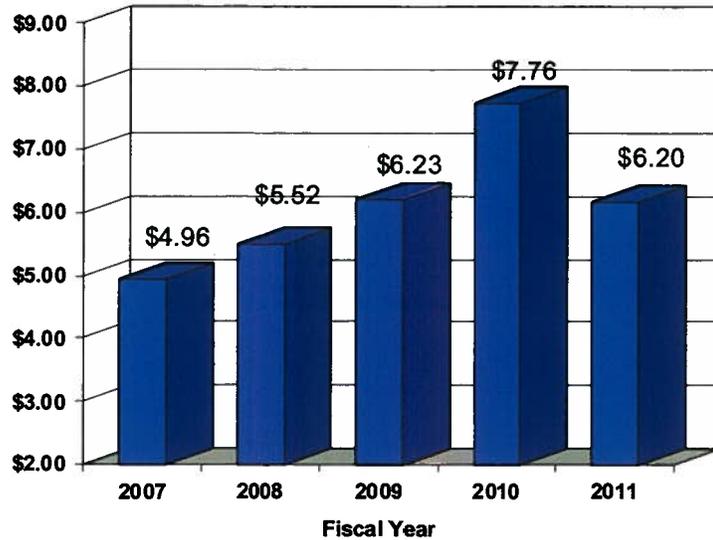


**Daily Scheduled Departures**

This chart shows the average number of flights departing the RTIA each day in June. In FY 2010, the announced daily flights dropped to 67 due to the economic slowdowns and the airline's restructuring of air service and realigning of aircraft capacity by most of the major airlines doing business in the United States. In FY 2011, although daily departures are still lower than previous years, we see a rebound in daily flights, surpassing fiscal year 2010.

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**Cost Per Enplanement**



**Cost Per Enplaned Passenger**

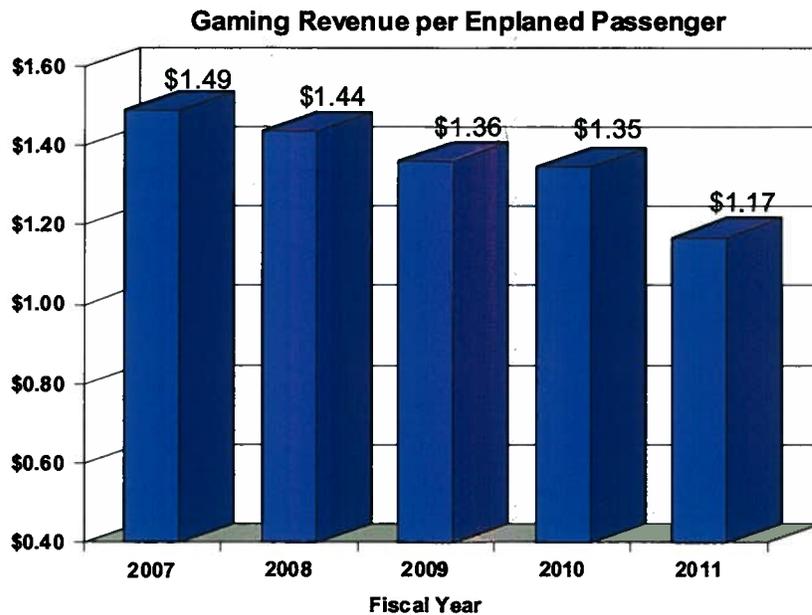
The cost per enplaned passenger amount is used to indicate the airport related costs paid by the airlines for each passenger flown from an airport. The airport costs incurred by an airline are landing fees and terminal building rents. While an airline’s airport costs are a small portion of their operating budget when compared to labor, fuel, and debt service, airports want to minimize their cost per enplanement so it is not a significant factor.

As can be seen from the graph above, the RTAA has been successful keeping this cost stable from FY 2006 to FY 2009 despite the increasing costs of operating the airport. The increase in FY 2010 is direct result of the drop in passenger traffic exceeding the ability of the Authority to reduce the costs of providing necessary “mission critical” expenses. Due to the changes in the rates and charges calculations methodology, the \$4.4 million debt defeasance and slightly increasing passenger traffic, the FY 2010-11 Budget reflects a reduction in cost per enplaned passenger. Faced with the current economic situation and the challenges of maintaining and adding air service, the RTAA is constantly trying to prudently reduce costs while meeting its passenger safety and security requirements.

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**Concession Revenue Per Enplaned Passenger**

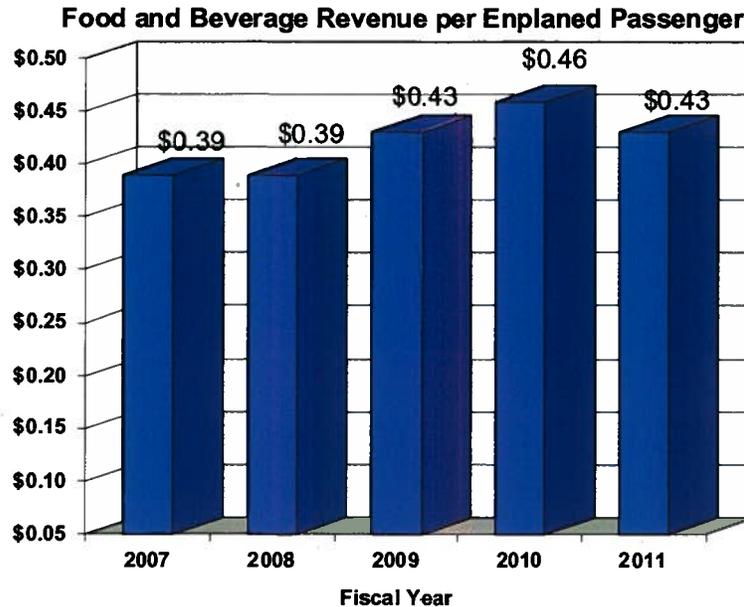
Concession revenue per enplaned passenger is a measure of a concessionaire's effectiveness that can be compared from year to year and between airports. Following are the main concession revenues of the RTAA presented in a per enplaned passenger format.



**Gaming Concession Revenue per Enplaned Passenger**

Few other airports have gaming revenues to compare. The gaming revenues are budgeted at \$2.3 million for 2011 and are projected to be \$2.2 million for 2010. On December 1, 2008 RTAA entered into a new contract with IGT, changing the terms of concession. The minimum annual guarantee (MAG) was eliminated and the concession fee will be paid as a percentage of net win. The decreasing revenue per enplaned passenger is due to the economic downturn and the reduction in disposable income. Although there is an increase in the budgeted passenger traffic through the airport for FY 2011, the current state of the economy will probably limit the money spent on gaming.

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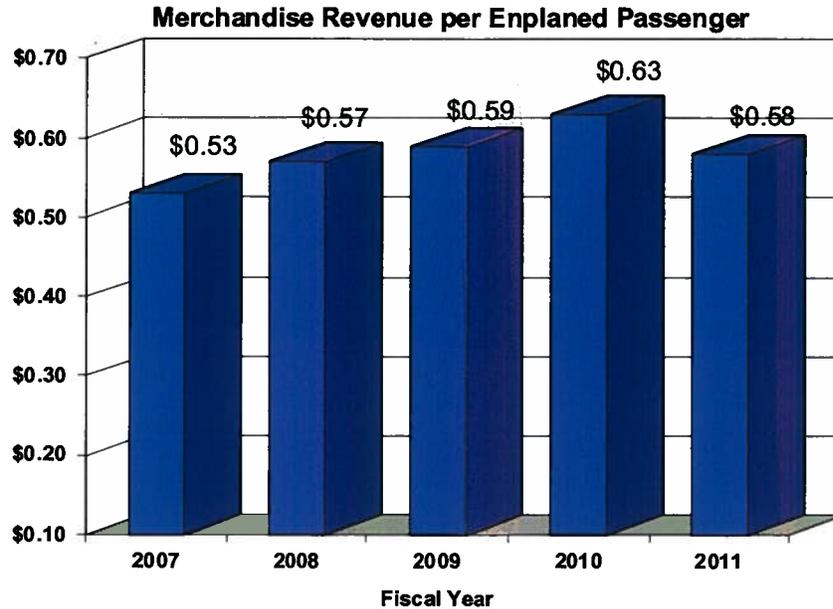
**Food and Beverage Concession Revenue per Enplaned Passenger**

The food and beverage concession agreement currently pays the Authority the greater of a minimum guaranteed amount or a percentage of gross revenues. With the October 1, 2001, implementation of the new concession agreement, the minimum annual guarantee (MAG) increased to \$800,000 for the operation by the new concessionaire, Creative Host Services (CHS). CHS changed its name to SSP America effective June 19, 2008. The minimum annual guarantee amount is set annually at 85% of prior years payments, or \$800,000, whichever is greater. Revenues are budgeted at \$832,800 in FY 2011, which reflects a 4.1 percent increase as compared to the FY 2010 projection.

Given the minimum annual guarantee was higher than the percent of gross revenues in FY 2010, the forecasted increase in Authority revenue of \$32,800 is proportionately less than the increase in passenger traffic. This results in a decrease of revenue per enplaned passenger at Reno-Tahoe from \$0.46 in FY 2010 to \$0.43 in FY 2011.

In an effort to upgrade facilities and expand the products offered, especially the breakfast menu, to our travelling public, Max's Eat & Coffee and La Brea Bakery were introduced in the current fiscal year.

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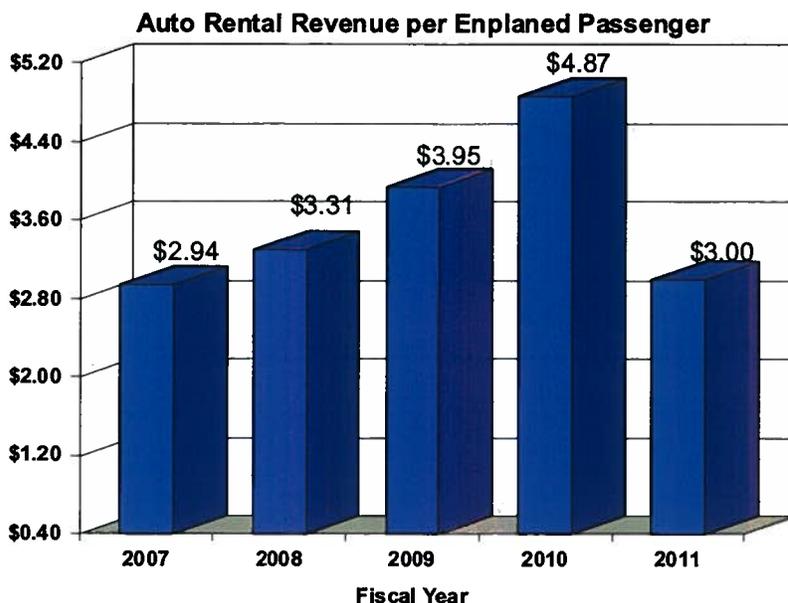
**Merchandise Concession Revenue per Enplaned Passenger**

The merchandise concession stores have furnishings that would fit in any upscale shopping mall. A PGA Tour Golf Shop and an expanded duty free shop add to the mix of shops found in the most airports.

The concession agreement awarded to the Paradies Shops calls for payment to the RTAA of a percentage of revenues ranging from 12 percent to 23 percent depending on product type, or a MAG which is 85 percent of previous year's payments but not less than \$901,000, whichever is greater. Revenues are budgeted at \$927,400 in FY 2011, which reflects a 2.9 percent increase as compared to the FY 2010 projection. Given the minimum annual guarantee was higher than the percent of gross revenue in FY 2010, the increase in revenue in FY 2011 is not as proportionally strong as the increase in passenger traffic. Therefore a decrease in overall revenue per enplaned passenger

The Paradies Shop stores include the Ponderosa Pines, which promotes the outdoor theme of the area, a PGA Golf Shop, Designs by Sue, offering value savings to its customers by having quality merchandise at prices under \$10, and news and gift shops located in the main lobby and on the B and C concourses. In addition to Paradies Shops, Northwest Duty Free Shops have operated another merchandise alternative on the concourses for passengers since 1996. The store located on the concourse serviced by Southwest has been relocated to a better location passed the TSA checkpoint.

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**Rental Car Concession Revenue per Enplaned Passenger**

There are six airport car rental companies operating at RTIA, which offer nine distinct brands. The rental car graph above shows a historically stable revenue trend, with increasing minimum annual guarantees under the old concession agreement, and a significant drop for FY 2011, which reflects the conditions of the new agreement.

Effective July 1, 2010, the rental car companies bid for the right to operate on-airport for a period of five years. Authority revenues are the greater of the minimum annual guarantee or 10% of gross receipts earned by companies. Given the current economic times, and the decrease in passenger traffic for the last few years, the new agreement established a substantially lower minimum annual guarantee (MAG) than the previous agreement. Through FY2008, most of the rental car companies have paid 10 percent of gross revenues, which exceeded their minimum annual guarantee (MAG). However with the drop in passenger traffic, resulting from the slower economy, most of the rental car companies have switched to paying the MAG established during better economic times.

Although the FY 2011 budgeted passenger traffic has increased over last years budget, revenues under the new agreement are \$2.8 million, or 32.6% below the 2010 forecasted amount.

One unique aspect of the rental car concession agreement is the provision that MAG may be abate for any month in which deplaning passenger levels drop more than 25% compared to the same monthly period in the previous year. The FY 2010-2011 budget does not forecast any MAG abatement due to the lower traffic base established during FY 2009-2010. This will ensure that the larger of the percentage of gross receipts or the MAG will be paid to the RTAA except in a situation of extreme passenger decline.

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**Parking Revenue per Enplaned Passenger**

Public parking rates at the airport have not been increased during the FY 2010. The last increase, in May 2009 was in the daily rate in the short-term parking lot from \$22 per day to \$24 per day or \$1.00 per hour throughout the entire day. With higher passenger traffic anticipated for FY 2011, the revenue per enplaned passenger is forecasted to also increase modestly as more passengers feel their personal economic situation will permit greater use of the parking facility instead of being dropped off by friends and family.

In light of higher passenger traffic, total auto parking and ground transportation revenues are budgeted to increase \$1 million, or 12.4 percent from the prior year budget. Auto parking represents 28.5 percent of the Airport's total budgeted non-airline operating revenues.

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RENO-TAHOE AIRPORT AUTHORITY  
POPULATION IN AIR TRADE AREA  
FOR THE CALENDAR YEARS 2000-2008  
(unaudited)

	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>Nevada</b>									
<u>County</u>									
Churchill	24,025	24,469	24,248	24,241	24,289	24,556	25,036	24,891	24,896
Douglas	41,465	42,227	43,230	44,170	45,933	47,017	45,909	45,406	45,180
Humboldt	15,919	15,969	16,143	16,562	16,863	17,129	17,446	17,523	17,763
Lyon	34,893	36,254	38,019	40,290	43,336	47,515	51,231	52,479	53,022
Pershing	6,665	6,588	6,566	6,446	6,396	6,360	6,414	6,376	6,291
Storey	3,393	3,424	3,421	3,541	3,731	4,074	4,132	4,193	4,341
Washoe	341,348	351,584	361,640	371,062	380,612	389,872	396,428	406,079	410,443
Carson City	52,548	53,446	54,547	55,269	55,926	56,062	55,289	54,939	54,867
Subtotal	520,256	533,961	547,814	561,581	577,086	592,585	601,885	611,886	616,803
<b>California</b>									
<u>County</u>									
Alpine	1,207	1,204	1,217	1,188	1,197	1,159	1,180	1,145	1,061
El Dorado	157,198	161,363	165,711	169,119	172,723	176,841	178,066	175,689	176,075
Lassen	33,767	33,652	33,569	34,114	34,606	34,751	34,715	35,031	34,574
Mono	12,866	12,895	12,993	12,832	12,687	12,509	12,754	12,801	12,774
Nevada	92,537	93,868	95,071	96,235	97,447	98,394	98,764	97,027	97,118
Placer	251,327	264,818	278,911	293,457	306,305	317,028	326,242	332,920	341,945
Plumas	20,781	20,899	21,006	21,185	21,328	21,477	21,263	20,615	20,275
Sierra	3,576	3,528	3,497	3,542	3,486	3,434	3,455	3,328	3,263
Subtotal	573,259	592,227	611,975	631,672	649,779	665,593	676,439	678,556	687,085
<b>Total</b>	<b>1,093,515</b>	<b>1,126,188</b>	<b>1,159,789</b>	<b>1,193,253</b>	<b>1,226,865</b>	<b>1,258,178</b>	<b>1,278,324</b>	<b>1,290,442</b>	<b>1,303,888</b>
<b>Percentage increase</b>	<b>4.22%</b>	<b>2.99%</b>	<b>2.98%</b>	<b>2.89%</b>	<b>2.82%</b>	<b>2.55%</b>	<b>1.60%</b>	<b>0.95%</b>	<b>1.04%</b>

Source: U.S. Department of Commerce, Bureau of the Census and Economagic.com.

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## Nevada Statewide 2010 Industrial Employment

Estimates in thousands	June 2010	June 2009	Change	% Change
<b>Total All Industries</b>	<b>1121.3</b>	<b>1147.6</b>	<b>(26.30)</b>	<b>-2.29%</b>
<i>Goods Producing</i>	<i>112.6</i>	<i>132.8</i>	<i>-20.2</i>	<i>-15.21%</i>
Natural Resources & Mining	12.1	11.9	0.2	1.68%
Construction	61.3	81.2	-19.9	-24.51%
Manufacturing	39.2	39.7	-0.5	-1.26%
<i>Services Producing</i>	<i>1008.7</i>	<i>1014.8</i>	<i>-6.1</i>	<i>-0.60%</i>
<b>Private Service Providing</b>	<b>851.2</b>	<b>857.9</b>	<b>-6.7</b>	<b>-0.78%</b>
Trade, Transportation & Utilities	209.3	212.3	-3.0	-1.41%
Information	12.1	13.1	-1.0	-7.63%
Financial Activities	53.2	55.9	-2.7	-4.83%
Professional & Business Services	136.5	134.3	2.2	1.64%
Education and Health Services	100.1	97.2	2.9	2.98%
Leisure and Hospitality	304.9	310.8	-5.9	-1.90%
Other Services	35.1	34.3	0.8	2.33%
Government	157.5	156.9	0.6	0.38%

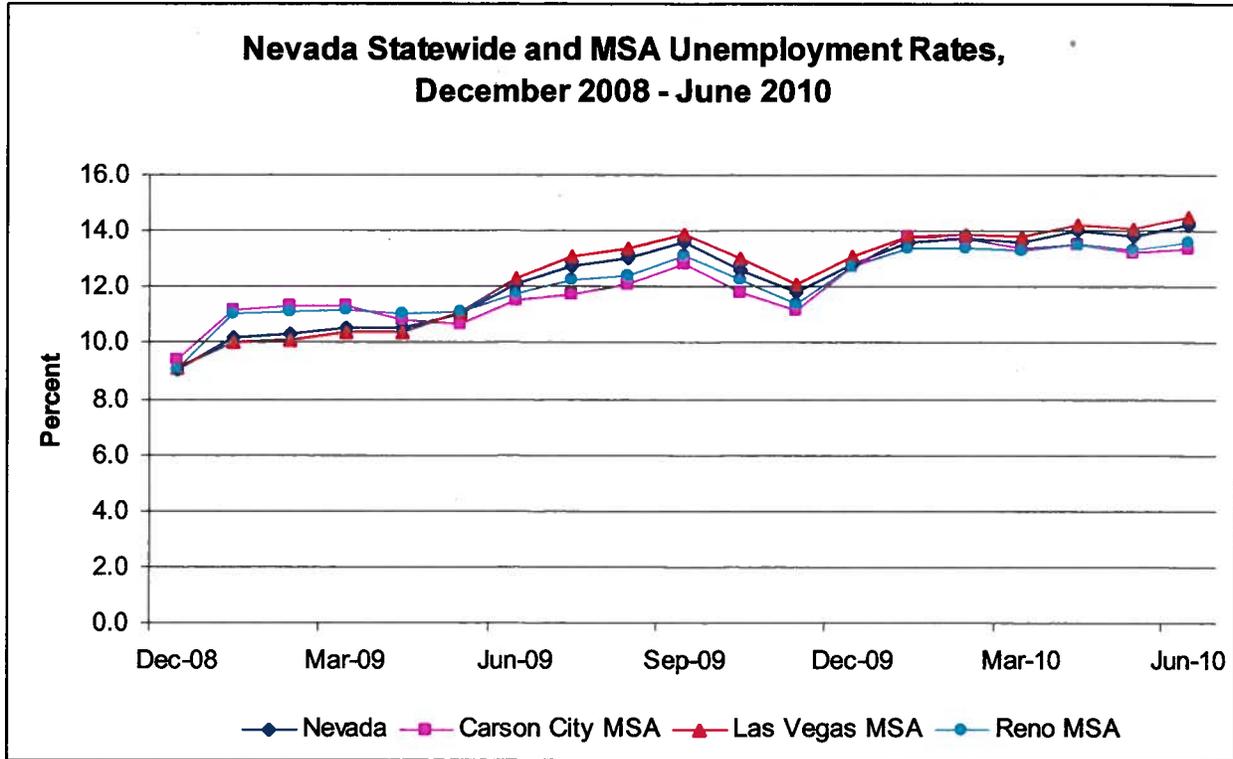
Detail may not add due to rounding. This report reflects non-ag employment by place of work. It does not necessarily coincide with labor force concept. Includes multiple jobholders.

Information compiled by DETR's Research & Analysis Bureau

### Employment Statistics

The chart above demonstrates Nevada's diversified economy. Diversification of the local economy will lessen any future negative economic impact as Indian gaming increases in the states surrounding Nevada. The chart above shows that employment in the two largest sectors of the economy; Trade, Transportation and Utilities as well as Leisure and Hospitality have not experienced as much decline in employment as compared to some other sectors of Nevada employment.

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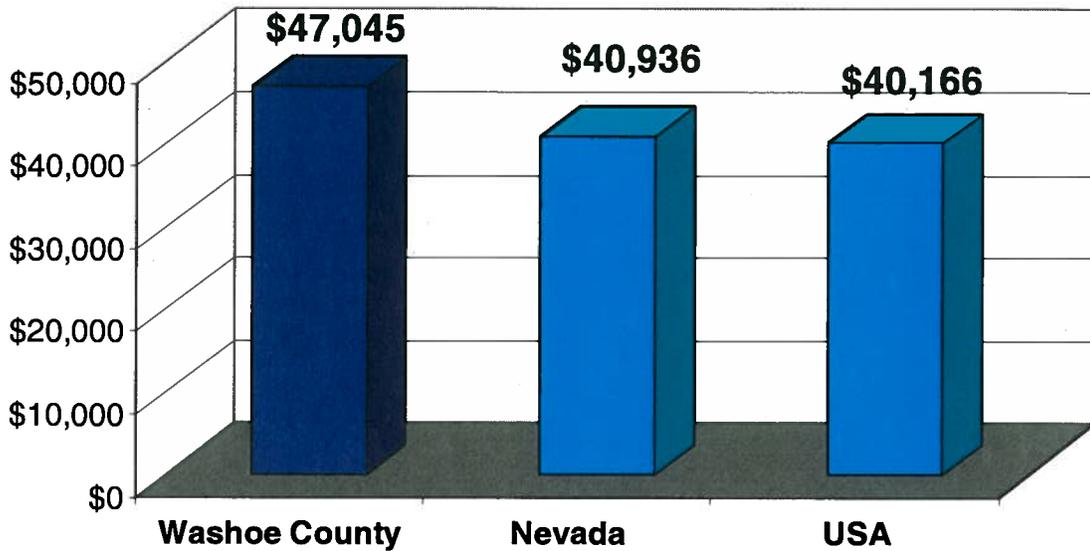
**Unemployment Statistics**

This chart shows the Reno-Tahoe area unemployment as compared to the rest of the state. The Reno unemployment statistics are usually below not only the Las Vegas statistics for Southern Nevada, but also the state as a whole.

The nationwide unemployment rate at the end of June 2010 registered 9.5% as reported by the Bureau of Labor Statistics.

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**Per Capita Personal Income**



**Per Capita Personal Income**

Another aspect of Reno-Tahoe area employment is Per Capita Personal Income. As the chart above of the latest data available for 2008 demonstrates, the Reno-Tahoe area of Washoe County not only has a higher per capital personal income than the state in general, but also a higher level than the national average per capital personal income level.

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RENO-TAHOE AIRPORT AUTHORITY  
 PRINCIPAL EMPLOYERS WITHIN AIR TRADE AREA  
 FISCAL YEAR ENDED 2009 AND 2000  
 (unaudited)

<u>Employer</u>	<u>Rank</u>	<u>2009</u> <u>Employees</u>	<u>Rank</u>	<u>2000</u> <u>Employees</u>
Washoe County School District	1	8,500-8,999	1	5,000-5,499
University of Nevada-Reno	2	4,000-4,499	3	2,500-2,999
Washoe County	3	2,500-2,999	4	2,500-2,999
International Game Technology	4	2,500-2,999	8	2,000-2,499
Renown Regional Medical Center	5	2,000-2,499	6	2,000-2,499
Peppermill Hotel Casino-Reno	6	2,000-2,499	-	-
Silver Legacy Resort Casino	7	1,500-1,999	5	2,500-2,999
City of Reno	8	1,500-1,999	-	-
CHW/St. Marys Hospital	9	1,500-1,999	-	-
Atlantis Casino Resort	10	1,500-1,999	-	-
Grand Sierra Resort	-	-	2	2,500-2,999
Eldorado Hotel & Casino	-	-	7	2,000-2,499
Sparks Nugget Inc	-	-	9	2,000-2,499
Circus Circus Casino	-	-	10	2,000-2,499

Each of the years reflect respective 4th quarter (December) information. Nevada Revised Statute Chapter 612 stipulates that actual employment for individual employers may not be published.

Source: Nevada Department of Employment, Training and Rehabilitation, Division of Labor Marketing.

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RENO-TAHOE AIRPORT AUTHORITY  
FORTUNE 100 COMPANIES WITHIN AIR TRADE AREA  
FISCAL YEAR ENDED 2009  
(unaudited)

Ranking	Company	Ranking	Company
1	Wal-Mart Stores	63	PepsiCo
3	General Motors	65	Sysco
6	General Electric	67	Johnson Controls
8	Citigroup	68	FedEx
9	Bank of America	69	Honeywell International
19	Cardinal Health	71	Alcoa
20	Morgan Stanley	77	Cisco Systems
22	Merrill Lynch	78	New York Life
27	AT&T	79	American Express
28	Boeing	81	Washington Mutual
29	AmerisourceBergen	83	Delphi
31	State Farm	90	Mass Mutual
39	Pfizer	91	Countrywide Financial
41	Wells Fargo	93	International Paper
43	United Parcel Service	94	Coca-Cola
46	Wachovia Corp	95	Liberty Mutual
49	Microsoft	96	Raytheon
55	Caterpillar	98	Deere
57	Lockheed Martin	99	Merck

Thirty-eight Fortune 100 companies have a significant presence in northern Nevada. These companies represent a range of top multi-national brands that have chosen Reno/Sparks/Lake Tahoe to do business in northern Nevada.

Source: Economic Development Authority of Western Nevada.

**Reno-Tahoe Airport Authority**  
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**Section 4 – Supplemental Data**

## Domestic Airline Passengers

**Table 8. Domestic Scheduled Enplanements on U.S. Carriers**  
**Passenger numbers in millions (000,000)**

	2008	2009	2008-2009 Pct. Change	2010	2009-2010 Pct. Change
January	50.2	44.8	-10.8	45.7	1.9
February	50.1	43.7	-12.9	42.6	-2.4
March	59.2	53.5	-9.6	54.6	2.0
<b>April</b>	<b>55.6</b>	<b>52.2</b>	<b>-6.1</b>	<b>52.5</b>	<b>0.4</b>
May	58.0	52.9	-8.8		
June	59.6	55.9	-6.2		
July	61.4	59.5	-3.2		
August	59.0	56.6	-4.1		
September	47.7	48.2	1.1		
October	53.0	52.3	-1.3		
November	47.7	48.8	2.3		
December	50.2	50.0	-0.5		
<b>4 Mo. Total</b>	<b>215.2</b>	<b>194.3</b>	<b>-9.7</b>	<b>195.4</b>	<b>0.6</b>
<b>Yr. Total</b>	<b>651.7</b>	<b>618.3</b>	<b>-5.1</b>		

Source: Bureau of Transportation Statistics, T-100 Domestic Market

Note: Percent changes based on numbers prior to rounding.

[http://www.bts.gov/press\\_releases/airline\\_traffic\\_data.html](http://www.bts.gov/press_releases/airline_traffic_data.html)

The chart above lists the last two calendar years of domestic airline passenger enplanements for the United States. The national statistics mirror the two annual passenger peaks that occur in March/April and July/August each year. The busiest day in the air travel industry occurs during the Thanksgiving holiday, but November is not a peak air travel month.

**Reno-Tahoe Airport Authority**  
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## Airline Profitability

**Table 2: Network Airline System\* Quarterly Operating Profit/Loss Margin (In Percent)**  
**Network Airlines Ranked by 1st Quarter 2010 Margin**  
**(Operating Profit/Loss as Percent of Total Operating Revenue)**

<b>1Q 2010 Rank</b>	<b>Network Airlines</b>	<b>1st Quarter 2009 (%)</b>	<b>2nd Quarter 2009 (%)</b>	<b>3rd Quarter 2009 (%)</b>	<b>4th Quarter 2009 (%)</b>	<b>1st Quarter 2010 (%)</b>	<b>1st Quarter Operating Profit/Loss \$(Millions)</b>
1	Alaska	1.0	4.2	16.8	3.4	5.2	38
2	United	-3.7	4.3	2.9	1.9	2.2	94
3	Delta	-10.0	-3.5	1.4	-2.1	1.6	107
4	US Airways	-1.0	4.4	0.1	1.0	-0.4	-10
5	Continental	-3.1	-5.2	1.3	-0.2	-2.3	-71
6	American	-4.7	-5.3	-4.8	-8.5	-6.4	-322
7	Northwest	0.9	5.4	6.9	4.5	N/A	N/A
	<b>7-Carrier Total</b>	<b>-4.0</b>	<b>-0.5</b>	<b>1.4</b>	<b>-1.2</b>	<b>-0.7</b>	<b>-163</b>

Source: Bureau of Transportation Statistics; Form 41, Schedule P1.2

\* System = domestic + international

**Table 3: Low-Cost System\* Quarterly Operating Profit/Loss Margin (In Percent)**  
**Low-Cost Airlines Ranked by 1st Quarter 2010 Margin**  
**(Operating Profit/Loss as Percent of Total Operating Revenue)**

<b>1Q 2010 Rank</b>	<b>Low-Cost Airlines</b>	<b>1st Quarter 2009 (%)</b>	<b>2nd Quarter 2009 (%)</b>	<b>3rd Quarter 2009 (%)</b>	<b>4th Quarter 2009 (%)</b>	<b>1st Quarter 2010 (%)</b>	<b>1st Quarter Operating Profit/Loss \$(Millions)</b>
1	Allegiant	30.1	23.8	14.4	11.7	20.0	33
2	Spirit	17.1	17.3	14.6	12.4	13.1	24
3	JetBlue	9.1	7.9	7.7	7.6	4.8	42
4	Southwest	-2.1	4.7	0.8	6.2	2.1	54
5	AirTran	8.8	11.0	6.2	4.4	0.5	3
6	Frontier	8.4	9.5	10.3	-4.6	-8.1	-22
7	Virgin America	-36.7	-8.4	3.2	-8.2	-13.1	-19
	<b>7-Carrier Total</b>	<b>2.9</b>	<b>7.0</b>	<b>4.2</b>	<b>5.5</b>	<b>2.4</b>	<b>115</b>

Source: Bureau of Transportation Statistics; Form 41, Schedule P1.2

\* System = domestic + international

<http://www.bts.gov>

**Reno-Tahoe Airport Authority**  
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The charts on the previous page list the latest quarterly profit percentages for the Network and Low-Cost Carriers. The Low-Cost Carriers have returned to profitability before many of the Network Carriers, generally because their lower costs and prompt adjustments in service levels allowed them to absorb more of the recent reduction in passengers. Many of the Network Carriers are now regaining profitability by reducing their labor costs, reducing their aircraft fleets, and number of flights.



JIM GIBBONS  
Governor  
ROBERT R BARENGO  
Chair, Nevada Tax Commission  
DINO DICIANNO  
Executive Director

STATE OF NEVADA  
DEPARTMENT OF TAXATION

Web Site: <http://tax.state.nv.us>  
1550 College Parkway, Suite 115  
Carson City, Nevada 89706-7937  
Phone: (775) 684-2000 Fax: (775) 684-2020

LAS VEGAS OFFICE  
Grant Sawyer Office Building, Suite 1300  
555 E. Washington Avenue  
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RENO OFFICE  
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Building L, Suite 235  
Reno, Nevada 89502  
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HENDERSON OFFICE  
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180  
Henderson, Nevada 89074  
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Nevada Department of Taxation  
1550 College Parkway, Suite 115  
Carson City, NV 89706-7921

Reno-Tahoe Airport Authority herewith submits the **FINAL** budget for the  
fiscal year ending June 30, 2011

This budget contains 0 funds, including Debt Service, requiring property tax revenues totaling \$ 0

The property tax rates computed herein are based on preliminary data. If the final state computed revenue limitation permits, the tax rate will be increased by an amount not to exceed 0 If the final computation requires, the tax rate will be lowered.

This budget contains 0 governmental fund types with estimated expenditures of \$ 0 and  
1 proprietary fund with estimated expenses of \$ 62,600,076

Copies of this budget have been filed for public record and inspection in the offices enumerated in NRS 354.596 (Local Government Budget and Finance Act).

CERTIFICATION

I Richard G. Gorman  
(Printed Name)  
Chief Financial Officer  
(Title)

certify that all applicable funds and financial operations of this Local Government are listed herein

Signed Richard G. Gorman

Dated: 5/20/2010

APPROVED BY THE GOVERNING BOARD

[Signature]  
Randi Thompson  
[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]

SCHEDULED PUBLIC HEARING:

Date and Time 5/20/10 - 8:15 AM

Publication Date 5/11/2010

Place: Reno Tahoe Airport Authority - Board Room

FULL TIME EQUIVALENT EMPLOYEES BY FUNCTION

	ACTUAL PRIOR YEAR ENDING 06/30/09	ESTIMATED CURRENT YEAR ENDING 06/30/10	BUDGET YEAR ENDING 06/30/11
General Government			
Judicial			
Public Safety			
Public Works			
Sanitation			
Health			
Welfare			
Culture and Recreation			
Community Support			
TOTAL GENERAL GOVERNMENT			
Utilities			
Hospitals			
Transit Systems			
Airports	228.0	263.5	267.5
Other			
TOTAL	228.0	263.5	267.5

POPULATION (AS OF JULY 1)			416,632
SOURCE OF POPULATION ESTIMATE*			
Assessed Valuation (Secured and Unsecured Only)			
Net Proceeds of Mines			
TOTAL ASSESSED VALUE			
TAX RATE			
General Fund			
Special Revenue Funds			
Capital Projects Funds			
Debt Service Funds			
Enterprise Fund			
Other			
TOTAL TAX RATE			

\* Use the population certified by the state in March each year. Small districts may use a number developed per the instructions (page 6) or the best information available.

RENO-TAHOE AIRPORT AUTHORITY  
(Local Government)

SCHEDULE S-2 - STATISTICAL DATA

PROPRIETARY FUND	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/11	
	ACTUAL PRIOR YEAR ENDING 6/30/2009	ESTIMATED CURRENT YEAR ENDING 6/30/2010	TENTATIVE APPROVED	FINAL APPROVED
<b>OPERATING REVENUE</b>				
Landing and Aircraft Fees	\$ 8,020,650	\$ 9,387,944	\$ 7,032,678	\$ 6,857,414
Gaming Concession	2,704,746	2,214,900	2,264,100	2,264,100
Food & Beverage Concession	860,116	800,000	832,800	832,800
Merchandise Concession	1,178,865	1,097,900	1,124,300	1,124,300
Auto Rental Concession	7,874,339	8,586,600	5,705,800	5,788,400
Parking/Traffic Control	9,102,015	8,917,600	9,343,800	9,326,400
Rents	12,172,296	10,374,117	13,837,500	13,280,300
Other Concessions/Misc.	2,689,721	3,975,700	5,181,859	5,291,582
<b>TOTAL OPERATING REVENUE</b>	<b>44,602,748</b>	<b>45,354,761</b>	<b>45,322,837</b>	<b>44,765,296</b>
<b>OPERATING EXPENSE</b>				
Personnel Services	\$ 21,868,506	\$ 20,940,312	\$ 23,114,280	\$ 22,630,580
Utilities and Communications	2,978,879	3,905,896	4,526,750	4,526,750
Purchased Services	3,037,358	3,827,084	4,842,056	5,016,056
Materials and Supplies	1,424,020	1,786,768	1,799,844	1,799,844
Administrative Expenses	1,911,933	1,584,840	2,082,796	2,083,196
Depreciation/Amortization	21,904,868	24,000,000	25,000,000	25,000,000
<b>TOTAL OPERATING EXPENSE</b>	<b>53,125,564</b>	<b>56,044,900</b>	<b>61,365,726</b>	<b>61,056,426</b>
<b>OPERATING INCOME OR (LOSS)</b>	<b>(8,522,816)</b>	<b>(10,690,139)</b>	<b>(16,042,889)</b>	<b>(16,291,130)</b>
<b>NONOPERATING REVENUES</b>				
Interest Earned	1,814,681	731,900	425,300	422,900
Jet Fuel Tax Revenue	313,204	322,300	327,100	327,100
Reimbursements/Miscellaneous	-	-	-	-
PFC Revenues (Passenger Facility Chg.)	7,688,656	6,764,100	6,983,900	6,983,900
Gain (Loss) on sale of capital assets	544,222	-	-	-
Insurance Settlement Proceeds	-	-	-	-
Subsidies				
<b>TOTAL NONOPERATING REVENUES</b>	<b>10,360,763</b>	<b>7,818,300</b>	<b>7,736,300</b>	<b>7,733,900</b>
<b>NONOPERATING EXPENSES</b>				
Jet Fuel Tax Expenses	-	-	-	-
Interest Expense	2,417,329	2,188,725	1,543,650	1,543,650
<b>TOTAL NONOPERATING EXPENSES</b>	<b>2,417,329</b>	<b>2,188,725</b>	<b>1,543,650</b>	<b>1,543,650</b>
<b>NET INCOME BEFORE OPERATING TRANSFERS</b>	<b>(579,382)</b>	<b>(5,060,564)</b>	<b>(9,850,239)</b>	<b>(10,100,880)</b>
<b>OPERATING TRANSFERS (Schedule T)</b>				
IN				
OUT				
<b>NET OPERATING TRANSFERS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCOME</b>	<b>\$ (579,382)</b>	<b>\$ (5,060,564)</b>	<b>\$ (9,850,239)</b>	<b>\$ (10,100,880)</b>

**RENO-TAHOE AIRPORT AUTHORITY**  
(Local Government)

SCHEDULE F-1 REVENUES, EXPENSES, AND NET INCOME

FUND: AIRPORTS

PROPRIETARY FUND	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/11	
	ACTUAL PRIOR YEAR ENDING 06/30/09	ESTIMATED CURRENT YEAR ENDING 06/30/10	TENTATIVE APPROVED	FINAL APPROVED
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Operating Income (Loss)	\$ (8,522,816)	\$ (10,690,139)	\$ (16,042,889)	\$ (16,291,130)
Depreciation/Amortization	21,904,868	24,000,000	25,000,000	25,000,000
Provision for Bad Debt	-	-	-	-
Loss on Sale of Property and Equipment	-	-	-	-
Changes in Current Assets and Liabilities	354,067	2,500,000	2,500,000	2,500,000
a. Net cash provided by operating activities	13,736,119	15,809,861	11,457,111	11,208,870
<b>B. CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Jet Fuel Tax Revenue	313,204	322,300	327,100	327,100
b. Net cash provided by non capital financing activities	313,204	322,300	327,100	327,100
<b>C. CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Federal Grant Proceeds	19,044,279	21,594,518	32,025,669	32,025,669
Proceeds from sale of Capital Assets	563,079	500,000	500,000	500,000
Acq. & Const. of Capital Assets	(55,285,109)	(49,063,557)	(44,066,240)	(44,317,740)
Principal/Interest Payments	(10,562,049)	(11,268,725)	(6,893,650)	(6,893,650)
Receipts of PFC Revenue	7,688,656	6,764,100	6,983,900	6,983,900
Insurance Settlement Proceeds	-	-	-	-
c. Net cash used for capital and related financing activities	(38,551,144)	(31,473,663)	(11,450,321)	(11,701,821)
<b>D. CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Receipt of Interest	1,811,735	731,900	425,300	\$422,900
Purchase/Sale of Investments	14,672,397	14,500,000	2,000,000	2,000,000
d. Net cash used in investing activities	16,484,132	15,231,900	2,425,300	2,422,900
<b>NET INCREASE (DECREASE) in cash and cash equivalents (a+b+c+d)</b>	<b>(8,017,689)</b>	<b>(109,603)</b>	<b>2,759,190</b>	<b>2,257,049</b>
<b>CASH AND CASH EQUIVALENTS AT JULY 1, 20XX</b>	<b>40,631,556</b>	<b>32,613,867</b>	<b>32,504,264</b>	<b>32,504,264</b>
<b>CASH AND CASH EQUIVALENTS AT AT JUNE 30, 20XX</b>	<b>\$ 32,613,867</b>	<b>\$ 32,504,264</b>	<b>\$ 35,263,454</b>	<b>\$ 34,761,313</b>

**RENO-TAHOE AIRPORT AUTHORITY**

Schedule F - 2 - Statement of Cash Flows

FUND: AIRPORTS

ALL EXISTING OR PROPOSED  
GENERAL OBLIGATION BONDS, REVENUE BONDS,  
MEDIUM-TERM FINANCING, CAPITAL LEASES AND  
SPECIAL ASSESSMENT BONDS

- \* - Type  
1 - General Obligation Bonds  
2 - G.O. Revenue Supported Bonds  
3 - G.O. Special Assessment Bonds  
4 - Revenue Bonds  
5 - Medium-Term Financing

- 6 - Medium-Term Financing - Lease Purchase  
7 - Capital Leases  
8 - Special Assessment Bonds  
9 - Mortgages  
10 - Other (Specify Type)  
11 - Proposed (Specify Type)

(1) NAME OF BOND OR LOAN List and Subtotal By Fund	(2) *	(3) TERM	(4) ORIGINAL AMOUNT OF ISSUE	(5) ISSUE DATE	(6) FINAL PAYMENT DATE	(7) INTEREST RATE	(8) BEGINNING OUTSTANDING BALANCE 7/1/2010	(9) REQUIREMENTS FOR FISCAL YEAR ENDING 06/30/11		(11) (9) + (10) TOTAL
								INTEREST PAYABLE	PRINCIPAL PAYABLE	
FUND: AIRPORTS										
REFUNDING BONDS SERIES 2003	4	8	29,215,000	04/10/03	07/01/11	VARIOUS	8,330,000	208,250	4,185,000	4,373,250
RTAA, AIRPORT REVENUE REFUNDING BONDS SERIES 2005	4	21	29,775,000	08/18/05	07/01/26	VARIOUS	27,455,000	1,335,400	1,185,000	2,520,400
TOTAL ALL DEBT SERVICE			\$ 83,000,000				\$ 35,785,000	\$ 1,543,650	\$ 5,350,000	\$ 6,893,650

SCHEDULE C-1 INDEBTEDNESS

RENO-TAHOE AIRPORT AUTHORITY Budget Fiscal Year 2010-2011

Note: Airport Authority of Washoe County (AAWC) was changed to Reno-Tahoe Airport Authority effective July 1, 2005 during the 2005 Nevada Legislative Session

## LOBBYING EXPENSE ESTIMATE

Pursuant to NRS 354.600 (3), **each** (emphasis added) local government budget must contain a separate statement of anticipated expenses relating to activities designed to influence the passage or defeat of legislation in an upcoming legislative session.

*Nevada Legislature: 76th Session; February 7, 2011 to June 6, 2011*

1. Activity:	<u>Monitoring and testifying on issues pertinent to the Reno-Tahoe Airport Authority</u>	
2. Funding Source:	<u>Operating Revenues</u>	
3. Transportation		\$ <u>300</u>
4. Lodging and meals		\$ <u>200</u>
5. Salaries and Wages		\$ _____
6. Compensation to lobbyists - This includes 1/10 -6/10		\$ <u>37,500</u>
7. Entertainment		\$ _____
8. Supplies, equipment & facilities; other personnel and services spent in Carson City		\$ <u>900</u>
<b>Total</b>		<b>\$ <u><u>38,900</u></u></b>

Entity: RENO-TAHOE AIRPORT AUTHORITY

Budget Fiscal Year 2010-2011

Lobbying Expense Estimate, Page 1 of 1

**Reno-Tahoe Airport Authority**  
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**Accrual Basis of Accounting** – Recognizing revenue when it is earned and recognizing expenses in the period incurred, without regard to the time of receipt or payment of cash.

**Aircraft Operation** – The landing or take off of an aircraft.

**Airline Load Factor** – The percentage of seats occupied on an aircraft.

**Airline Yield Per Mile** – Airlines' ticket revenues for a given airport divided by the air miles flown to that airport for those tickets.

**Airport Improvement Program (AIP)** – A Federal Aviation Administration program periodically reauthorized by Congress which distributes the proceeds of the federal tax on airline tickets to airports through grants for eligible construction projects and land acquisition.

**Airport Layout Plan (ALP)** – A blue print of an airport required by the Federal Aviation Administration which shows current and future airport development.

**Airside** – The airfield side of an airport used by aircraft, runways, taxiways, and aircraft parking aprons.

**Automated Vehicle Identification System** – An electronic system that counts vehicle entrances, exits and dwell time at a location.

**Baggage Information Displays (BID)** – Electronic displays to inform passengers which baggage conveyor will be used for their flight's luggage.

**Balanced Budget** - A budget in which receipts are equal to or greater than outlays. A further test for the RTAA is that Net Pledged Revenues must exceed 125 percent of that year's revenue bond debt service.

**Bond Covenant** – An agreement with the bond holders, which defines, among other things, the priority of the payment of debt service in the use of revenues.

**Closed Circuit Television (CCTV)** – Video cameras used for surveillance to maintain security and safety.

**Compensatory Rate Setting** – An airline rate setting method in which rates are set using the cost of operating a particular cost center without any reduction for the revenues earned in that cost center.

**Competition Plan** – A plan required by the FAA of large and medium hub airports at which 50 percent or more of their passengers are handled by two or fewer airlines.

**Cost Centers** – Geographic locations on an airport such as the airfield or terminal building used for rate setting purposes.

**Cost Per Enplanement** – The airlines' airport costs, landing fees and rents, divided by the total number of passengers enplaned at the airport.

**CUPPS** – Common Use Passenger Processing System

**CUSS** – Common Use Self Service

**CUTE** – Common Use Terminal Equipment

**Daily Departure Seats** – The total of all the seats on all the scheduled airline flights leaving an airport each day.

**Deplaning Passenger** – An arriving passenger.

**Reno-Tahoe Airport Authority**  
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**Section 6 – Glossary**

**Depreciation** - A non-cash expense that accounts for the value of assets which decreases over time as a result of use, age, or obsolescence.

**Disadvantaged Business Enterprise (DBE)** - The Department of Transportation (DOT) has had in effect for more than 20 years a policy of helping small businesses owned and controlled by socially and economically disadvantaged individuals, including minorities and women, in participating in contracting opportunities created by DOT financial assistance programs. At airports, DBE's are encouraged to participate in FAA grant funded projects.

**DNL (Day-Night Average Sound Level)** – This is the primary metric for aircraft noise exposure measurement required by the Federal Aviation Administration. Despite its name, DNL is not a typical average, but instead is a cumulative measure of all noise exposure during a 24-hour period. Loud events or quieter events both increase the DNL value. To reflect the added intrusiveness of noise between the nighttime hours of 10p.m. and 7 a.m., DNL counts each nighttime noise event as if it occurred 10 times.

**Enplaning Passenger** – A departing passenger.

**Enterprise Fund** - A form of accounting that utilizes a separate fund or cost center for a specific purpose. Enterprise fund expenditures are generally paid by the revenues generated within the operation of that purpose.

**FAR** – Federal Aviation Regulations

**Federal Aviation Administration (FAA)** – A component of the Department of Transportation with primary responsibility for the safety of civil aviation.

**Fiscal Year** – A 12 month period, other than a calendar year, used for financial reporting purposes. The RTAA's fiscal year begins July 1<sup>st</sup> and ends June 30<sup>th</sup>.

**Fixed Base Operator** – Businesses on airports that sell fuel to private plane owners, provide aircraft parking, as well as aircraft maintenance and mechanical services.

**Flight Information Displays (FID)** – Electronic displays to inform passengers of the status of their flight, such as arrival time, and terminal building gate number.

**FOD** – Foreign Object Debris or trash on the airfield.

**General Aviation (GA)** – The activities of privately owned aircraft that are not used for commercial purposes, such as the movement of passengers or freight.

**Hybrid Rate Setting** – A combination of the “residual” and “compensatory” methods of airline rate calculation.

**Jet Bridge** – A mechanical tunnel used by passengers to pass from the terminal building to an aircraft.

**Landed Weight** – The maximum gross certificated landed weight of an aircraft, or all aircraft landing at an airport in a fiscal year, which is not dependent on the number of passengers on board.

**Landing Fee** – The rate charged by an airport to commercial aircraft operators per thousand pounds of landed weight.

**Reno-Tahoe Airport Authority**  
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**Landside** – All areas of land owned and maintained by the RTAA outside of the airfield areas perimeter fence.

**Majority In Interest (MII)** – A method, defined in an airport’s airline agreement, of determining an airline majority for purposes of approving capital projects at airports.

**Minimum Annual Guarantee (MAG)** – A minimum amount to be paid by an airport concessionaire. Concessionaires pay the greater of the minimum annual guarantee or a percentage of their gross revenues.

**Medium Hub Airport** – Airports defined by the Federal Aviation Administration enplaning 1.6 to 4.2 million passengers.

**Net Pledged Revenues** – Operating Revenues less Operating Expenses pledged to pay debt service as defined in a bond covenant.

**Noise Compatibility Plan** – A portion of a Part 150 Study which outlines how an airport will mitigate, through aircraft operations, structural noise insulation or land acquisition, the airport noise impact within certain average noise levels.

**Noise Exposure Map** – A map that identifies and quantifies the noise impacted areas surrounding the airport.

**Non Airline Revenue** – Airport revenue earned from sources other than airlines, such as concession revenues: Merchandise, Food and Beverage, Rental Car, etc. Airports try to maximize non airline revenue to help reduce the amounts they collect from the airlines.

**Non Rate Base Revenue** – Revenue not included in the airline rate calculations due to provisions of a revenue bond covenant or an airline agreement.

**Non Signatory Airline** – Airlines that have not signed an agreement with an airport committing to rent an airport leasehold for a fixed period of time.

**Part 107** – A section of the Federal Aviation Regulations having to do with an airport operator’s responsibilities for airport security.

**Part 139** - A section of the Federal Aviation Regulations having to do with the certification of an airport’s airfield.

**Part 150 Study** - A noise study defined by a section of the Federal Aviation Regulations, that when completed, makes an airport eligible for noise insulation and related land acquisition grants. The Study produces two documents, the Noise Exposure Map and the Noise Compatibility Program.

**Passenger Facility Charge (PFC)** – A charge per passenger per airport levied by the airlines that is sent to the respective airport, less an \$0.12 administrative fee. The PFC may not be levied until after an airline review and FAA approval process.

**Proprietary Fund** – In governmental accounting, a fund having profit and loss aspects, which under generally accepted accounting principles, must use the accrual basis rather than a modified accrual basis of accounting. The two types of proprietary funds are the Enterprise Fund and the Internal Service Fund.

**Reno-Tahoe Airport Authority**  
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**Section 6 – Glossary**

**Residual Rate Setting** – An airline rate setting method in which rates are set using the cost of operating a particular cost center reduced by the revenues earned in that cost center.

**Reno Stead Airport - RSD**

**Reno-Tahoe Airport Authority - RTAA**

**Reno-Tahoe International Airport - RTIA**

**Runway Protection Zone** – A zone, defined by the FAA, at each end of a runway that is to be protected from development that might affect the operation of the runway.

**Security Identification Area (SIDA)** – Secure areas of the airport in which identification badges are required to be displayed.

**Signatory Airline** - Airlines that have signed an agreement with an airport committing to rent an airport leasehold for a fixed period of time.

**T Hangar** – A small hangar that resembles a “T” when viewed from above. T hangars are placed next to each other, and inter locked back to back, to maximize the number that can be placed in an area which minimizes the land rental component of their cost.

**Transportation Security Administration (TSA)** - A component of the Department of Transportation with primary responsibility for the security of civil aviation.

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